

Thursday September 26 1996

Table of international exchange rates for various currencies including the Dollar, Pound, and others.

The Guardian INTERNATIONAL NEWSPAPER OF THE YEAR

Printed in London, Manchester, Frankfurt and Roubaix

Martin Jacques on our political future

Books

Renaissance as consumer boom

OnLine

Getting to the core of Apple's problems

G2 pages 8/11

G2 pages 12/13

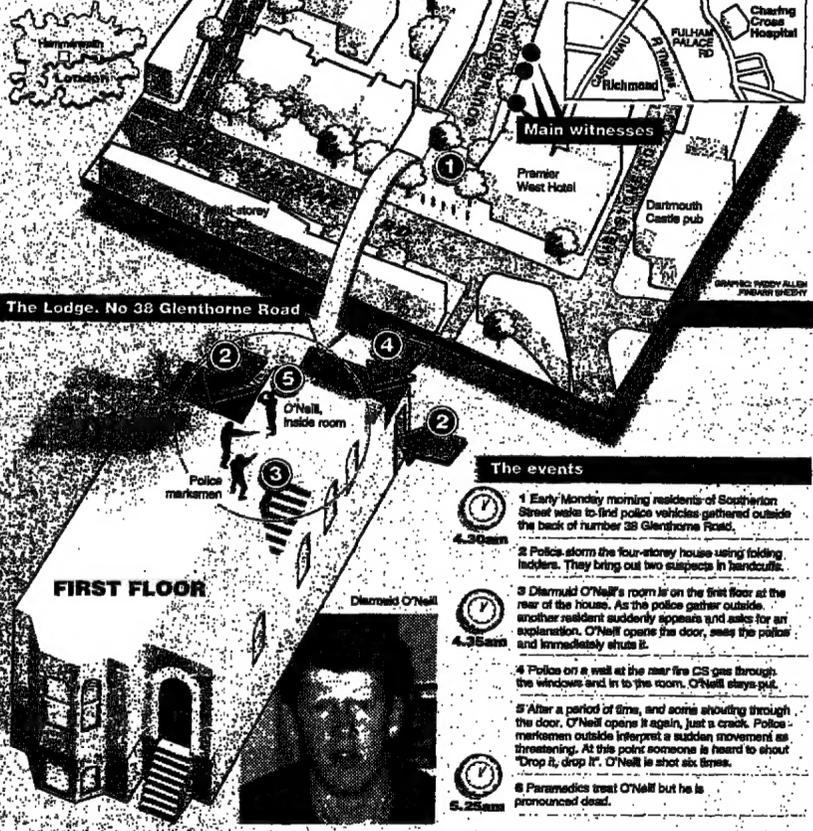
Death at dawn: the fatal gesture of an IRA man

Christopher Elliott, Owen Bowcott and Martin Wainwright unravel details of the police anti-terror operation in west London

DIARMUID O'Neill, the 27-year-old IRA suspect, was shot dead through a gap in the doorway of a first floor flat in west London by police officers who believed he was making a threatening movement.

Police raid

Early on Monday morning Diarmuid O'Neill was shot dead by police in the quiet streets of Hammersmith.



The Lodge, No 38 Glenthorne Road

The events

- 1 Early Monday morning residents of Southeyton Street were to find police vehicles gathered outside the back of number 38 Glenthorne Road.
2 Police storm the four-storey house using folding ladders. They bring out two suspects in handcuffs.
3 Diarmuid O'Neill's room is on the first floor at the rear of the house. As the police gather outside, another resident suddenly appears and asks for an explanation. O'Neill opens the door, sees the police and immediately shuts it.
4 Police on a wall at the rear fire CS gas through the windows and in to the room. O'Neill stays put.
5 After a period of time, and some shouting through the door, O'Neill opens it again, just a crack. Police men outside interpret a sudden movement as threatening. At this point someone is heard to shout 'Drop it, drop it'. O'Neill is shot six times.
6 Paramedics treat O'Neill but he is pronounced dead.

for some minutes before other policemen on a wall behind the end of terrace house and on ladders placed up against the building outside fired CS gas through windows of the room. Some minutes later O'Neill opened the door partially and eyewitnesses say they heard police calling: "Drop it! Drop it!"

"armed police" and "come out with your arms up". "First of all they were kicking a door down at the back, then there was a lot of running and shouting," Ms Dalton said. "Then we saw officers wearing gas masks. "We were looking out when we heard the shooting. None of the people we could see had fired." The shots, she thought, had come from inside the building.

ing movement and was shot six times. Paramedics from the London Ambulance Service, on standby at the scene, treated O'Neill, who was pronounced dead at 6.25 am. Whether at the scene or at Charing Cross hospital, is not clear. There have been suggestions that the body was carried out of the building on a stretcher. However, this seems to be contradicted by photographs showing a broad smearing of blood on the five steps and front path of the



MP warned to call off Adams meeting

ABOUT leaders threatened last night to withdraw the party whip from leftwinger Jeremy Corbyn (above) if he pressed ahead with a House of Commons meeting today with Sinn Fein president Gerry Adams, writes Nick Varley. The private meeting, which the former Cabinet minister Tony Benn has helped to organise, is part of a day Mr Adams is spending promoting his autobiography. Mr Adams said the timing of his visit was "not at all" insensitive, even though it comes three days after the huge IRA explosives find in London. Labour's chief whip, Donald Dewar, said: "I wish to make it very clear that Mr Corbyn is acting on his own behalf. The Labour Party is not involved or associated in any way. We utterly condemn his proposed action." A party spokesman added: "Our main hope is that the event will be called off." The meeting is due to replace a news conference with Mr Adams, which was cancelled after it was found to breach Commons rules.

Derek Brown in Jerusalem

opened fire only when the Israeli troops started to shoot stone-throwers. One witness described how a man in civilian clothes, who described himself as a member of the Palestinian president Yasser Arafat's elite Force 17, pulled out a pistol and fired wildly in the direction of the Israelis. "The crowd seemed overjoyed when their soldier finally started shooting. Some were even pushing the machine closer to the firing, telling them to shoot," he said. The vicious exchange lasted at least 90 minutes before, Palestinian forces arrive and started to push back the crowd. The Israeli forces were also apparently under order to disengage. But by that time a gap had opened in the fragile facade of peace. In Gaza, Mr Arafat talks with his usual understatement of a "big crisis" between the Israelis and the Palestinians. The Palestinian cabinet minister Hanan Ashraw speaking after visiting wounded in hospital, more blunt: "It's a massacre there is no other word for it. At Mr Arafat's urging, a 22-nation Arab League will meet in Cairo today to discuss the implications of the Jerusalem tunnel. Many Arab governments have already indicated their outrage at Israel's latest unilateral action. Even Crown Prince Hassan of Jordan, Israel's closest and favourite ally in the region, describes the move yesterday as "a provocation to Arab and Muslim feelings around the world". Mr Netanyahu's government has blamed the self-rule Palestinian Authority for stirring up passions. Arab League rallies behind Palestinians, page 7; Leader comment, page 8

£500,000 hurdle for duchess in Bryan book fight

We look forward to seeing her in court, says publisher of 'explosive account' stalled by injunction

Karim Ahmed THE Duchess of York, who is reported to have debts totalling more than £1 million, has been ordered to lodge £500,000 with a court as part of her attempt to block the publication of a book detailing her relationship with John Bryan. The money is security for

any damages that might be won by the publishers of the book, Fergie: Her Secret Life, by former close friend Allan Starkie. The book has been halted by an injunction lodged by the duchess. Mr Justice Astill agreed yesterday that the injunction should be continued and a hearing has been set for October 7. The duchess faces the prospect of giving evidence at

that hearing, where she is likely to be questioned closely about her private life. The injunction, granted after a four-day hearing in private, prevents publication of information gained during Dr Starkie's involvement in the duchess's affairs. He was once a business partner of Mr Bryan. Dr Starkie signed a deal last month with Michael O'Mara Books, which published Diana: Her True Story. Dr Starkie's book has been described by Mr O'Mara as an "explosive account of every element of her relationship".

If the duchess failed to find the money, said Mr O'Mara's solicitor, Suzanne Reeves, an immediate application would be made to have the injunction lifted. "The judge has asked her to provide £500,000 to compensate me for damages in the event of her losing the case," Mr O'Mara said. "We are assuming the duchess will be called to give evidence in the case and we look forward to seeing her there." He said he expected the duchess would have to answer "a lot of questions

about her relationship with various people over the past six years". The case, Mr O'Mara said, would be "extremely amusing for everybody". Mr O'Mara said he believed the main reason for the duchess seeking an injunction was so that her own memoirs, due to be published next month, would have "a clear run" into the vital Christmas selling period. "She is publishing her own version of events, as set by the palace, in a few weeks. She, and perhaps the palace as well, have an interest in

keeping the truth from the public," he said. Jonathan Coad, of the duchess's solicitors, Schillings and Lom, said he had "absolutely at this stage no idea" whether the duchess would appear in court. One source of the money could be American publishers Simon & Schuster, which has signed a £1 million contract with the duchess for her memoirs. The duchess also recently signed a lucrative deal with the magazine Paris Match for a series of celebrity interviews.

A TRUE STORY THAT NEVER HAPPENED STEPHEN F MAKI

Britain... 5

World News... 7

Finance... 11

Sport... 14

Comment and Letters, 8; Obituaries 10; Crossword 16; Weather 16; Radio 16; TV 16



Sketch

Rolling in the aisles with hate



Simon Hoggart

IN THEIR own quiet way, Liberal Democrats are excellent haters. They hate the Tory government, they hate many of their own members, but most of all they hate Jack Straw.

day, in which he pointed out that the Liberal Democrats were now well to the left of New Labour, a party which he reviled with relish and at length.

As doubts persist about Yeltsin's ability to continue as leader, with the news that he will have to spend the next four months in hospital, Russian politicians are lining up to fill the power vacuum. The leading contenders are...



Surgeons Michael DeBakey (left) from the United States and Professor Renat Akchurin offer their assessment



VIKTOR CHERNOMYRDIN, the prime minister, aged 58, is in pole position as he becomes acting head of state when Boris Yeltsin goes under the surgeon's knife.

ALEXANDER LEBED, secretary of the Security Council, aged 46, is the stormtrooper of Russian politics.

GENNADY ZYUGANOV, aged 52, a conservative critic of Mikhail Gorbachev, has rebuilt the Communist Party after the collapse of the Soviet Union.

ANATOLY CHUBAIS, a free market economist from St Petersburg, aged 42, masterminded the biggest and quickest sell-off of state assets in history.

YURI LUZKHOV, the popular Moscow mayor, aged 60, has been busy building, when everything around him has been collapsing.

VLADIMIR ZHIRINOVSKIY, aged 50, is the enfant terrible of Russian nationalism whose stunts are beginning to wear thin.

Review

Bubbly at the Ritz and all that jazz

Lanie Goodman

Scott Fitzgerald anniversary at the Ritz, Paris

FOR the past two days the rich and famous have been sipping champagne cocktails in the salons of Van Cleef and Arpels at the Place Vendôme in Paris.

as did opulent rituals. Scorning his wealthy painter friend, Gerald Murphy (initially the model for Dick Diver in Tender is the Night), the writer sabotaged his host's caviar-and-champagne party by lobbing aspartams at guests.

The legendary Ritz bar, scene of countless outrageous escapades, figures in several of Fitzgerald's semi-autobiographical works of the 30s, but the place has lost its glitter, evoking only nightmarish memories of empty frivolity.

The legendary Ritz bar, scene of countless outrageous escapades, figures in several of Fitzgerald's semi-autobiographical works of the 30s, but the place has lost its glitter, evoking only nightmarish memories of empty frivolity.

Medical sting for Yeltsin

Lengthy convalescence casts shadow on upbeat prognosis

David Hearst in Moscow

TWO heart surgeons said yesterday they could operate safely on President Boris Yeltsin and he stood a good chance of making a complete recovery.

The sting in the tail of a generally upbeat medical prognosis by the doctors in Moscow was that Mr Yeltsin would have to spend the next four months in hospital - up

to 10 weeks waiting for a triple or quadruple heart bypass and at least two months' convalescence.

The announcement, after a morning examination by a medical team that included the American cardiologist Michael DeBakey, means Mr Yeltsin can argue that he is not a lame duck president and can and will return to the political stage.

In the interim, Viktor Chernomyrdin, the prime minister, will run the country.

Blair warned on 'cliques'

Major to give evidence in Guardian court case

Witek Chaudhary

TWO Labour frontbenchers today warn Tony Blair to treat party activists as "mature adults" with a role to play in policy-making in government if they win the general election.

Mischievously invoking the Blairite language of a "stakeholding party", Peter Hain and Derek Fatchett also point out that private sector companies which are always being held up as good examples to Labour have created a more open and participatory management style in recent years.

It would be a cruel irony indeed if at the very time the private sector is applying embryonic socialist ideals, the Labour Party becomes more centralised and cliquish.

Major to give evidence in Guardian court case

Witek Chaudhary

JOHN Major is set to become the first Prime Minister to give evidence in court after his office said last night it will not challenge a subpoena issued against him by the Guardian.

Mr Major has been asked to appear as a witness in the libel case brought against the Guardian by Neil Hamilton, the former trade and industry minister, and political lobbyist Ian Greer. The case is due to begin next week.

A spokesman for Mr Major's office said: "There's no question of a challenge from the Prime Minister. He has indicated that he's willing to give evidence if necessary. Our solicitors will be presenting documents in court today which are relevant."

Fatal gesture that led to death of IRA man

Mike Bennett of the Police Federation countered Mr Adams's remarks last night.

"The death is to be totally regretted but officers didn't set out to kill this man," he said. "People should be proud that officers are prepared to undertake this kind of dangerous work."

He said the two officers involved, who have had their firearms authorisation cards suspended as a matter of routine while the investigation is carried out, were yesterday bearing up well. "They were seen by one of our lawyers within half an hour of it happening."

Specialist firearms officers are trained to fire two shots quickly at the main trunk of a suspect if they believe their lives are in danger. They are

not trained to wound but to kill. The men would have been briefed some hours before on what to expect when they went to arrest the men.

This is the first time an IRA suspect has been shot dead on the mainland.

In the past the IRA have opened fire on police when stopped, notably at Stoke Newington when an officer was shot twice when he stopped a van carrying a one ton bomb three years ago and again at Warrington when shots were fired by an IRA gang during an attack on a gasholder.

One senior officer said last night: "We aim to 'house' (contain and arrest them in a house) now, so the damage is either to them or to us."

Advertisement for Radio Times featuring the text 'CINDY MANAGES TO SAY NO TO MORE EASTENDERS' and 'Blair is point w other ha one for'.

Vertical advertisement on the right edge of the page, partially cut off, with text like 'Estate agent', 'Nation', and 'Travolt'.

Estate agents agree tide has turned as capital house prices pass 1980s benchmark



BIRMINGHAM: Trafalgar Road, Moseley. Five-bedroom, traditional-style terraced house, bay windows. Price: £96,500. Accommodation: Vestibule, hall, lounge 16.3 x 14, dining room 16 x 12, cellar, kitchen 12 x 10, bathroom, five bedrooms. Location: Pleasant suburb. Garden: Front and rear.



SCOTLAND: Stratherrick Road, Inverness. Five-bedroom detached house, built in 1966 and enlarged in 1980s. Price: £105,000. Accommodation: Vestibule, hall/dining room 17.2 x 7.5, widening to 14'6. Lounge 19'10 x 11'7, kitchen, five bedrooms, bathroom, garage. Location: Sought-after residential area. Garden: Front and rear.



LONDON: Star Street, W2. Unmodernised two-bedroom maisonette, available for immediate occupancy, above an empty shop. Price: £100,000. Five rooms at the top, cheek by jowl with the A40(M)

Edgware Road close to the Marylebone flyover on the A40(M). Very short stroll to Edgware Road tube station and not much further to Paddington. Garden: none.

Accommodation: Two bedrooms, bathroom, one reception room 15 x 13'5, kitchen/breakfast room 14 x 9'5. Location: In an enclave of terraced properties, adjoining the

Nationwide: What you get for £100,000



DEVON: Miller Way, Exminster. Almost new, detached four-bedroom house. Price: £107,950. Accommodation: Hall, cloakroom, sitting room, dining room, fitted kitchen/breakfast room, utility room, four bedrooms, garage. Location: Housing development convenient for Exeter. Garden: South-facing lawned gardens.

ANYWHERE else in the country, a prospective buyer might assume the cost of a desirable London residence included a patio paved with gold. They would, of course, be lucky to get anything better than concrete and a fishpond. The average price of a London pad, which range from garret-like studio flats to mansions, has risen to more than £100,000, the quarterly figures from HM Land Registry revealed yesterday. Only in stockbroker Surrey, where the conservatory and double garage are de rigueur, will bricks and mortar cost you more, at an average £118,250. The figures support the claims of estate agencies and mortgage lenders that house prices are steadily rising. Average prices across England and Wales for all types of property are up over the last quarter - detached houses by 1.77 per cent (and by 3.77 per cent

for new homes), semi-detached by 2.51 per cent, terraced houses by 2.15 per cent, and flats and maisonettes by 6.35 per cent. New flats and maisonettes have soared by 17.7 per cent, reflecting the fact that the market is strongest amongst first-time buyers. The statistics carry authority because they are a breakdown of all house sales from April to June 1996, of which the Registry has by law to be notified. The average house in Greater London now costs £101,816, compared with £96,061 in January to March. For the first time, the prices are broken down by borough, revealing that the biggest recovery was in Lambeth (up 18 per cent). In most other places in the country, buyers get substantially more for their money. The average cost of a house across England and Wales has risen from £67,077 to £69,937. Most of the regions with rising prices were in the South-east. In Gloucestershire prices rose from

£66,372 to £71,528, in Hertfordshire from £87,460 to £92,087, and in Surrey from £111,269 to £115,290. In Cumbria, North Yorkshire, Gwynedd and the Isle of Wight, prices have dropped. Hugh Dunsmore-Hardy, chief executive of the National Association of Estate Agents, said the average London house price last

crossed the £100,000 barrier in the late 1990s, when the market peaked. Estate agents say the tide has turned. "We are seeing a quite gradual but sustained recovery in the housing market," said a spokeswoman for Halifax Property Services. "We're not looking at boom time, but things are getting better."

Travolta lands Primary role

Hanks said no thanks, so the Pulp Fiction star will play Clinton. Martin Walker reports

AS A baby-boomer disco dance star who matured into a movie contract hit-man and southern hoodlum, John Travolta may be inspired casting to play the role of Bill Clinton in the forthcoming film of Primary Colors, the best-selling novel about the 1992 presidential campaign. For a reputed \$15 million (£10 million), the former star of Saturday Night Fever, Pulp Fiction and Get Shorty is being signed to star alongside Emma Thompson, who will play Hillary Clinton in a radical departure from the British actress's latest Oscar-winning venture into Jane Austen. The director, Mike Nichols, bought the film rights to the hit novel when its author was still officially anonymous. And the admission by Joe Klein, the Newsweek magazine columnist, that he was the author of the thinly-veiled account of the Clintons in the

American primary campaigns in 1992 has not dulled Hollywood's enthusiasm for the project. The publicity keeps on coming, with the original choice for the Clinton role, Oscar-winning Tom Hanks, formally denying yesterday that he turned it down at the friendly request of the White House. "I have met the president and I am voting for him, but that's different from being friends," Mr Hanks said yesterday. "I pulled out because my 1997 filming schedule is full," he added, not because Mr Clinton felt he was wrong for the part. The film of the book of the political campaign is making the white House nervous, because of the shameless pillandering of the southern governor, Jack Stanton, and his foul-mouthed and ruthless wife. This is not the image the



John Travolta... will make £10m as Clinton lookalike



Bill Clinton... upset by image as pillanderer

Clintons want to present to the millions of American movie-goers, even in the security of a second term. The casting race is still on for the narrator and star of the novel, the young black political strategist who is modelled on George Stephanopoulos, Mr Clinton's political adviser. Having already been por-

trayed by Michael J. Fox in the film The American President, Mr Stephanopoulos is taking a keen interest in his next incarnation. Hollywood rumour says that Will Smith, star of the television series, The Fresh Prince of Bel Air, and the blockbuster film, Independence Day, is the frontrunner for the part.

Blair is the opposite of Thatcher. Her starting-point was a project for the country. Blair, on the other hand, has a project for the party but not one for the country. Martin Jacques

G2 cover story

Clarke wins IMF vote of confidence

Alex Brummer in Washington. CHANCELLOR Kenneth Clarke's stewardship of the British economy was last night singled out for high praise by no less an authority than the International Monetary Fund. It said that under Mr Clarke's leadership the United Kingdom achieved "above trend" growth compared to that of its European partners and had made a start in reducing structural unemployment rates - an achievement only shared with the United States among the biggest seven industrial countries. If Mr Clarke is about to withstand the current political onslaught from the Eurosceptics he will have the opportunity to steer the Tories into the election with the best economic prospect for many years.

The IMF forecasts that the economy will pick-up speed this year and next. Britain's 2.2 per cent expansion this year and 3 per cent in 1997 will mean that the UK economy is the fastest growing among the big European economies with unemployment shrinking to 7.3 per cent next year, making it the lowest among the G7 apart from the United States. Moreover, the IMF staff believe that this high growth can largely be achieved without breaching the Government's 2.5 per cent inflation ceiling. In fact, if policy is kept on current course, inflation will fall next year to 2.3 per cent despite higher output growth and lower levels of unemployment. The only problem on the horizon pointed out by the IMF economists is the higher than expected levels of government borrowing largely as a result of revenue shortfalls. The fund recommends that some "corrective measures" on the budget will be needed to put the public finances back into balance over the medium term. It does warn Mr Clarke against introducing "significant tax cuts" before the general election - but the careful wording in the IMF's World Economic Outlook report suggests Mr Clarke could get away with some modest taxation changes without incurring the wrath

of the international financial community. In its wide-ranging assessment of the UK economy, the IMF staff asserts that in Britain "the recent economic slowdown has been much less severe than in Germany and France" and although inflation has been running slightly above target "it is expected to drop below the ceiling by early 1997" - just in time for the election. Looking ahead, the IMF's chief economist, Michael Mussa said in Washington yesterday that a modest interest rate increase might be necessary given the improvement in consumer spending and confidence, although he made it clear there was no urgency. The IMF seemed more concerned about budgetary policy, which might make the build-up to November's budget that much more difficult for the Chancellor, although it could strengthen Mr Clarke's hand in dealing with wage claims from public sec-

Chancellor set to steer Tories into election with best economic prospect for years

tor workers and pre-election cash demands from spending ministries. The fund warned that "financial market confidence and long-term interest rates" could be adversely affected if attention is not paid to the failure of the public sector borrowing requirement to shrink sufficiently. Like the Chancellor, the IMF was confident that European monetary union is becoming more achievable and took an important step forward at the Dublin summit last weekend. The IMF forecast that rising growth across the EU - it should expand by 2.5 per cent next year against 1.6 per cent this - will ease the problem of meeting the Maastricht criteria. It applauded the Dublin decision by finance ministers, including Mr Clarke, to put in place the stability pact which would foster "greater fiscal discipline."

Dixons advertisement featuring various electronics deals. Headphones: Sanyo PH40V, Sanyo PH25. Camcorder tapes: JVC EC45. Audio tape: BBC CDS90. Batteries: Varta Alkaline AA. All items are on sale for half price. Includes a voucher for Scotch video tapes.

CINDY MANAGES TO SAY NO TO MORE ASTENDERS

NOT WHAT YOU EXPECT

London seizure of IRA explosives fails to dent leftwinger's determination to welcome Sinn Fein leader to Commons



Jeremy Corbyn, the leftwing politician who will make Premier Blair's life hard, after earlier signs that he might be coming to terms with New Labour

MP facing discipline over Adams

Michael White Political Editor
GERRY Adams will make his controversial visit to the House of Commons this morning, despite this week's huge seizure of IRA explosives in London and Tony Blair's threat to discipline the leftwing MP who invited him.
The Sinn Fein president will stage a symbolic meeting with Jeremy Corbyn, MP for Islington North, in a Commons committee room before going on to the Camden Irish Centre to launch his book of memoirs which was the centre of controversy even before IRA suspect Diarmuid O'Neill, was shot dead by police on Monday.
After yesterday's shadow cabinet meeting unanimously backed Mr Blair's call for Mr Corbyn to withdraw his invitation, Labour's chief whip, Donald Dewar, issued a sharp statement saying the MP "is acting on his own behalf and must take responsibility for so doing".
The former cabinet minister Tony Benn will also attend the meeting, and Mr Corbyn said Ken Livingstone had signalled support. He said he would not be backing down and that the Sergeant-at-Arms had reluctantly accepted the situation.
"It should not be a dispute within the Labour Party when one MP wants to meet Sinn Fein to press for a ceasefire. I do not want to get into a public brawl," Mr Corbyn said. He plans to urge Mr Adams to press for a renewed ceasefire and peace talks, and fears that rebuff for such talks will strengthen Sinn Fein/IRA hardliners.
Outraged MPs, Labour as well as Tory, thought otherwise about what is widely seen as an ill-judged publicity stunt intended to embarrass the Government until the IRA arms find intruder.
"The Labour Party is not involved or associated in any way. We utterly condemn his proposed action. If he persists it will be a matter for disciplinary action," Mr Dewar said. That was being interpreted as a New Labour return to the 1960s and 1960s, when troublesome MPs lost the party whip.
That would mean an MP could not stand as a Labour candidate, an almost inconceivable move so close to an election.
Mr Corbyn says today's meeting will not include a press conference, though Sinn Fein sources say he will talk to reporters on the pavement outside.
The Labour chairman of the Commons administration committee, Michael Martin, said: "Unfortunately, there is nothing in the rules of the House to prevent my colleague Jeremy Corbyn from having a meeting with this man who is the luncheon and the mouthpiece for the IRA."

Two MPs for price of one in gentle firebrand Corbyn

Michael White
IN JEREMY Corbyn, voters at the unfashionable end of Islington really have two MPs for the price of one. First there is their hard-working, animal-loving, constituency member with his beard and weakness for brightly coloured jackets; a soft-spoken family man.
But there is a second Jeremy Corbyn sitting on a Labour majority of 12,784 in Islington North. Not only is he very left wing by Blairite standards, he is pretty startling by those of the Campaign Group of which he is a luminary.
From American imperialism in Nicaragua and Chile, through the Gulf war, the Maastricht bill, Neil Kinnock's fight against Militant, non-payment of the poll tax and anti-poverty campaigning, the former union researcher has been on the barricades.
As the world was again reminded yesterday when the shadow cabinet voted - angrily and unanimously - to condemn his invitation to Gerry Adams, he is also a big Troops Out man in Northern Ireland.
In 1983 he organised a Com-

mons visit for the Sinn Fein leader, who had recently been elected MP for West Belfast. He could have entered the Palace of Westminster unaided, had he not been committed to Sinn Fein's historic boycott.
Why does Corbyn do it? To shock the respectable middle class from which he springs? To outflank his fellow leftists? Colleagues are bemused. "He can be so nice," one said yesterday, "but when he thinks 'He is an infuriating throwback in an era of professional politicians' he's right about something important he becomes a different person."
One political analyst called him "the most Trotskyite of all the Labour leftwingers". Idealistic or naive, he has backed Militant Tendency and Communist Party campaigns.
He is as much an endangered species as the badgers, deer and other wildlifers he tries so hard to protect from hunters. No sentimental

townie, Chippenham-born Corbyn, aged 47, grew up in the Wiltshire countryside.
Though he is less effective a campaigner than some awkward squad MPs, Mr Corbyn has had his successes. To the annoyance of his Tory detractors he was, for instance, the first MP to make a fuss about Saddam Hussein's brutal gassing of Kurdish villages in 1988, when the Iraqi leader was still the West's regional ally. Lame excuses to the Scott arms to Iraq inquiry that the nature of the regime was not understood, cut little ice with him.
Some colleagues detected a period when he seemed to be signalling a willingness to come to terms with Blairism. If so, that phase is over. Mr Corbyn will make Premier Blair's life hard.
There may be another prosaic reason why Mr Corbyn's hard left portfolio includes a brief for a united Ireland, Islington North, where he beat the SDF defector Michael O'Halloran in 1983, is full of Irish immigrants, along with Turks, Cypriots and Blairite modernisers who may one day threaten his power base.
In a pragmatic era of smooth professional politicians he is a colourful but infuriating throwback.

Tory centre-left claims 100 backbenchers

Michael White
CENTRE-LEFT Tories last night claimed the support of 10 cabinet ministers, at least 30 junior ministers and up to 100 backbench MPs in their new campaign to prevent Conservative Eurosceptics from ditching the Cabinet's compromise policy on the single currency.
The claim to far greater strength than their rivals credit them came at the end of a one-day "Conservative mainstream" conference at which the former foreign secretary, Douglas Hurd, attacked the right's agenda on Europe and tax cuts.
With the row subsiding over calls for the dismissal of Kenneth Clarke, the Chancellor, four current ministers

attended the Westminster conference, with the ardent pro-European John Gummer, the Environment Secretary, addressing a private session.
Organisers of the conference, an umbrella group for centre-left bodies such as the Tory Reform Group, said that more than 50 MPs had attended and 50 more sent messages of support. That claim will surprise sceptics more than the assertion that 10 cabinet ministers also back their stance.
Taken with 30 junior ministers, that is half the "payroll vote", not counting peers and MEPs. Along with Mr Gummer, Nicholas Soames, Robin Squire and Ian Taylor put their heads above the parapet yesterday - together with a clutch of former ministers including David Hunt.
It was left to Mr Hurd to be

the frontman for what is projected as the centre-left's fightback, intended to help John Major resist Eurosceptic pressure to rule out British membership of a single currency for all time, for the lifetime of the new 1997-2002 parliament or - in the latest version - in the "first wave" after 1999.
Claiming he had never been an advocate of a single currency, Mr Hurd said the complex arguments on both sides had been over-politicised by the "poisoned and prejudiced nature of much of the debate" in the Tory press.
The conspiratorial atmosphere weakened Britain's claims to want to reform European Union institutions rather than destroy them, Mr Hurd warned. "In this context the Cabinet is clearly right in its decision to keep open the option which the Prime Minister negotiated for us on the single currency.
"It would be foolish now to say that we would not join. No one now can tell where the interests of Britain will lie in five or six years' time."
Mr Hurd also attacked rightwing pressure on Mr Clarke to cut spending and income tax ahead of election day. "I do not believe that elections can be won by reducing income tax against a background of sacked teachers or closed hospital wards," he said in an implicit attack on John Redwood's calls for £5 billion of cuts.

50% OFF SALE
42 SALE STYLES - EVERY CABINET REDUCED
COMPARABLE KITCHEN CABINETS GUARANTEED 20% LESS THAN ANY OTHER NATIONAL RETAILER'S QUOTE
Schreiber CHELSEA Striking green doors and drawer fronts provide the perfect contrast for solid pine knob handles and trim.
COMPLETE KITCHEN* PLUS LARDER FRIDGE & FREEZER SALE PRICE £1099.79

HOUSE INSURANCE
SAVE UP TO 50% OR MORE OF LONDON & HOME COUNTIES
£100,000 Buildings Sum Insured
Premium Only £154.00
LOWER Premiums in most Other Areas
Ring NOW to Save Money
0345 123111
Hill House Hammond Cutting The Cost Of Your Insurance

HALF PRICE REFRIGERATION
LARDER FRIDGE FOR ONLY £89.99
FREEZER FOR ONLY £99.99
£50 OFF ANY OTHER REFRIGERATION PRODUCT IN OUR RANGE
MFI home work

MFI home work
LOW COST INSTALLATION AVAILABLE
MFI

Handwritten signature or mark at the bottom of the page.

News in brief

Howard 'may outlaw stalking before poll'

MICHAEL Howard, the Home Secretary, said yesterday that legislation to outlaw stalking could be introduced before the next general election...

Doctors call for 50pc pay rise

DOCTORS are calling for a pay rise of more than 50 per cent. The British Medical Association says in evidence to the profession's pay review body that its members need increases 'averaging 53 per cent' next year to restore them to the place they occupied in the earnings league in 1980.

TV rape scene 'voyeuristic'

CARLTON Television was criticised yesterday by the Broadcasting Standards Council for an 'ill-judged and voyeuristic' rape scene in its regional drama series, London Bridge.

Gypsy loses caravan fight

A GYPSY yesterday lost the final stage of an eight-year legal battle to keep her family's three caravans on land she owns. June Buckley, who lost her case in the European Court of Human Rights in Strasbourg, was warned that she now faces prosecution and eviction by South Cambridgeshire district council.

Sex offender escapes

POLICE were last night searching for a convicted sex offender who escaped during an escorted shopping trip in Liverpool city centre. The 35-year-old is a patient at the top security Ashworth hospital on Merseyside which houses some of Britain's most notorious criminals, including Moors murderer Ian Brady. Police said that the man was not considered to be dangerous, but warned the public not to approach him.

Two die in plane crash

TWO people were killed when the light aircraft they were flying crashed a short distance off the north-west coast of England yesterday. The Piper Cherokee had taken off from an RAF airfield at Woodvale near Southport, Merseyside, when it disappeared from radar screens.



Sir Fitzroy Maclean's widow, Veronica, with Defence Minister Nicholas Soames at yesterday's tribute. PHOTOGRAPH SEAN SAMI

Fitzroy Maclean, soldier, diplomat and adventurer, remembered

SIR Fitzroy Maclean, romantic adventurer, was remembered yesterday as a diplomat, soldier, politician, author, historian and traveller. His many facets were represented in a memorial service at St George's Church in Hanover Square, central London.

Police face new sex harassment row

23 complaints made by woman inspector over 'taped taunts'

Martin Wainwright FURTHER damaging claims of sexual harassment in the police are to emerge at an industrial tribunal involving the Lincolnshire force, following the announcement of an inquiry in North Yorkshire.

in the police for 20 years, started making recordings after earlier complaints were ignored by superiors. She was suspended after a tape recorder was discovered in her locker.

that one offence did not justify dismissal, but upheld conviction on the other three. The offences are understood to have included sexual harassment, although the force denied that they were related or similar to the earlier case.

British tourists turn against heartbreak hotels

Vivek Chaudhary FAWLTY Towers-style hotels plague the British tourist industry, but it is service with a smile that attracts customers, warns a guide published yesterday.

Consumers voted cleanliness and attentive staff the most important aspects of a hotel, but they were also the hardest to find. Complaints listed include toenail clippings in the carpet and a pair of underpants under the bed.



Establishments of the type immortalised by John Gleese survive, but few guests are still prepared to put up with them

Warning for boozy Britons

TOURISTS on all-inclusive holidays to the Caribbean have been warned that their health could be in danger following a survey showing that they are guzzling their way through five pints of beer, three strong cocktails, three shots of spirits and two glasses of wine every day.

Establishments of the type immortalised by John Gleese survive, but few guests are still prepared to put up with them

Author's African memoir wins prize

Judges acclaim 'powerful' tale of witch doctors and rites of passage

Dan Glaston Arts Correspondent THE literary awards season got under way last night as Peter Godwin won the £10,000 Esquire Apple Waterstone's non-fiction award for his memoir, Mukwa.

Healy, Thomas Healy, Joe Kane, Norman Lewis, Tim Lott and Peter Mans. Mukwa is Godwin's story of growing up in Rhodesia in the 1960s and 1970s. Described by Doris Lessing as 'a very good book, the best to come out of the war for independence in Zimbabwe so far', it moves from a childhood of witch doctors and boarding school to being drafted into the Rhodesian police force.



LOSING your DATA has just got REALLY HARD to do. The CF-62. The safest notebook PC ever invented. It's the only notebook PC in the world with a rewritable, removable optical disc.

as 450 floppy discs. The CF-62 has all the quality and specifications you would expect from a state of the art notebook PC including Pentium 133 Mhz processor, 1.35 Gb HDD, 1024 x 864 high resolution 12.1" TFT screen, PC card slots with ZV port and CD Rom Drive.

Vertical advertisement on the left side of the page. It includes a 'Home World' logo at the bottom, a '20% OFF' discount sign, and a 'COMPLETE KITCHEN PLUS LARDER FRIDGE & FREEZER' offer for \$1099. There is also a 'COST LATION ABLE' logo.

Grieving Germany buries murdered child

Ian Traynor in Bonn

A SMALL church in the Bavarian village of Erpach was the focus of Germany's grief and anger yesterday at the latest paedophile outrage to stun Europe.

Seven-year-old Natalie Astner, who was abducted last Friday by a convicted child molester, was buried after a service at the church. An enlarged photo of the little girl, taken on her first day at school last month, was placed in front of the church altar in this Roman Catholic village in southern Germany.

Natalie's father Hannes, aged 38, was receiving medical treatment after breaking down by the coffin.

Natalie was abducted less than 100 yards from her home, put in the boot of a car

and taken away to be sexually abused, knocked unconscious and then thrown into the River Lech, where she drowned.

A 27-year-old electrician, Armin Schreiner, is in custody and has confessed to the crime that has plunged Germany into mourning.

The streets of the village have been deserted for days and every evening this week, most of the 500 villagers have gathered at the church for a silent vigil and a special Mass.

That the suspect is a convicted child molester released early from jail on probation last year after serving two-thirds of his sentence has sparked an emotional debate over leniency in child abuse cases.

Public fury has focused on the fact that Schreiner was released 18 months short of

Tougher sanctions against paedophiles demanded

THE Council of Europe in Strasbourg called on its 39 member states yesterday to tougher sanctions against paedophiles.

The parliamentary assembly unanimously adopted a resolution urging a ban on sexual relations between adults and children under 15 and harsher punishment for the creation and distribution of child pornography.

The resolution also called for penalties against travel agencies organising sex tours and said police should pursue sex criminals across borders.

In Brussels, the European Commission urged EU governments yesterday to set aside doubts about the body's role in fighting cross-border crime in the interests of stamping out trafficking in children and women. Before a two-day gathering of EU justice

ministers in Dublin, commissioners stressed the EU had a crucial co-ordinating role to play in combating the vice trade.

EU countries have so far been reluctant to extend the EU's competence to fighting cross-border crime. — Reuter.

Of the overall sexual crime figure, almost half were repeat offences and there were more than 900 cases of recidivism for the fifth time or more, although previous convictions were not always for sexual offences.

Such a high repeat rate is spurring the campaign for tougher sentencing and more restrictive probationary policies. The maximum sentence for child abuse in Germany is 10 years, but sentencing policy is generally seen as milder than in either Britain or France.

Following recent paedophile scandals across Europe, government officials have begun to speak of "chemical castration" for sex offenders, a topic long taboo because of the Nazi practice of castrating "moral delinquents".

Mr Stoiber joined the federal minister for family affairs, Claudia Nolte, in declaring that chemical castration for repeat sex offenders should be considered.

But psychologists, criminologists and sociologists are speaking out against chemical castration, which entails a pill or injection to suppress the sex drive by curbing testosterone.

Experts argue that excessive libido is not necessarily the cause of sexual abuse. They also point out that the curbing of the sex drive can be reversed within days if the medicine is not taken at least monthly.

From the liberal Free Democrats, yesterday defended early release on probation for sex offenders, arguing that there would be no appreciable rise in public safety gained by keeping them inside.

According to the Federal Statistics Office in Wiesbaden, there were 4,738 sentences handed down for sexual offences in Germany in 1994.

In almost 85 per cent of cases, the perpetrators were male and almost 40 per cent, or 1,824 cases, entailed sexual abuse of children.

More than 40 per cent of the child abuse cases involved people with criminal records, many of them convicted child molesters.

The Federal Criminal Police in Wiesbaden said police recorded 47,106 allega-

tion of sexual offences in Germany last year, almost 4 per cent more than in 1994. That figure included just over 18,000 alleged incidences of child sex abuse, a 5 per cent increase, although many of these allegations proved baseless.



A Nato tank in Sarajevo destroys weapons seized from Muslims at the weekend as a peacekeeper looks on. Automatic rifles and grenades were among items confiscated from a demilitarised zone in Bosnia's north-east. PHOTOGRAPH BY HENRI DEBIE

Tensions rise in village dispute as Bosnian Muslims stay put

Sembr Anant in Jusic

BOSNIAN Muslim refugees re-occupying a devastated village in Serb territory have violated the Dayton peace accord, an American general said yesterday.

Nato peacekeepers want them to leave Jusic in Bosnia and apply for permission to return to their former homes, but the refugees have refused to budge.

"They [the Muslims] directly violated the treaty by coming here with arms," said General George Casey, whose troops patrol the area with Russian soldiers. "This group

must leave and process the papers to come back according to the policies laid down by Dayton and the UN High Commissioner for Refugees. That is the position of the international community."

A serious dispute loomed after about 100 Muslims, some armed, entered Jusic, east of Tuzla, on Friday. They include pre-war residents of the village driven from their homes by fighting.

The Nato spokesman in Sarajevo, Major Brett Boudreau, said earlier that the goal was to get Bosnian Muslim and Serb authorities to agree to a six-point UN process governing a phased and orderly resettlement of such villages.

Jusic is in a demilitarised "zone of separation" patrolled by Nato forces.

A member of the International Police Task Force monitoring post-war Bosnia said the situation seemed to grow more tense yesterday after a 48-hour Serb deadline for withdrawal expired.

"It appears that some of the Muslim people are trying to taunt the Serb police in the area... maybe venturing out of the village a little too far for the liking of the Serb police," said Thomas Hickox, a commander in nearby Sapp.

UN sources said the number of Muslims in the village had risen to 300 and a reporter said it appeared more women and children had turned up. But Nato denied Serb claims that villagers were digging trenches.

The Bosnian prime minister, Hasan Muratovic, visited the village yesterday to try to defuse the tension. "I came to appeal to you to show that we're a civilised people, that we only want our rights and that we'll fight for them in the most civilised way," he told the crowd.

"First we have to see if you can live here at all," he said, alluding to devastated houses, lack of running water and

electricity and the impending winter.

"Yes, yes we can live here," members of the crowd shouted.

International officials have sought to defuse the situation, with little apparent progress. Nato troops earlier seized weapons from the Muslims and have urged Serb authorities not to enter the village.

The Serbs insist that the Muslims withdraw and register to re-enter according to UN guidelines.

Meanwhile, Nato countries agreed yesterday that they would probably have to keep thousands of troops in Bosnia next year after the current peace mission mandate runs out on December 31.

It was the first public acknowledgement by the alliance that such a force may be necessary.

Officials said they had agreed to order the military to draw up a number of options for a possible follow-on to the current Implementation Force, IFOR.

No binding decisions were taken at the informal meeting of defence ministers in the Norwegian city of Bergen.

"We see the basis of a consensus for a new mission emerging," said Germany's Volker Rube. — Reuter.

Young people worse off than in the 1950s, French study finds

Alex Duval Smith in Paris

FRENCH government attempts to inspire a feel-good factor suffered a new setback yesterday when an official study showed that young people are worse off than in the 1950s and the country's poverty gap is continuing to widen.

As the prime minister, Alain Juppé, scored a record-low opinion poll rating despite tax cuts last week, a household income survey showed that young people's standard of living had declined by 15 per cent since 1989.

The survey found that between 1980 and 1994 the French standard of living declined for all sections of the population, except retired people. It found that the average annual pre-tax income — 170,000 francs (\$21,250) — had hardly risen in 14 years.

While the French poverty gap was narrower than the British, it had widened more rapidly. According to the national statistical institute Insee, one in 10 households in France was below the poverty level in 1994. Fewer people under 70 were poor in 1994 compared to 1980 but the number of poor people under 30 had doubled.

While the government yesterday dismissed the survey, arguing that it was two years out of date, critics said current economic policies did not reverse the trend.

The Socialist leader, Lionel Jospin, said the government was more determined to reduce deficits in the run-up to a single currency than to cut unemployment, standing at 12.5 per cent.

After 17 months in power, Mr Juppé scores a 63 per cent "dissatisfaction" rating in today's Paris-Match poll. In a thinly veiled attempt to

silence his rightwing critics, Mr Juppé yesterday called on MPs to bolster him with a vote of confidence next week.

He said: "Our parliamentary work will be all the more fruitful if we have, with one voice, reaffirmed the policies of the government and the parliamentary majority."

But amid repeated calls from Mr Juppé for an "end to moroseness", parliamentary business looks set to be focused on damage limitation.

The justice minister, Jacques Toubon, is drawing up a new law against incitement to racial hatred, after three weeks in which the National Front leader, Jean-Marie Le Pen, has dominated the political stage.

Respected politicians in the rightwing majority, including the former interior minister, Charles Pasqua, have rubbished plans for legislation, saying it will give Mr Le Pen more prominence.

In another attack on the National Front, Mr Juppé wants to reform the voting system ahead of parliamentary elections in 1998, with the aim of minimising the chances of far-right MPs.

While the high unemployment rate is likely to act as a disincentive to industrial unrest, unions have announced plans for stoppages and demonstrations.

Next week, one doctors' union is asking its members to cancel night-time cover and there are almost daily demonstrations in areas blighted by defence industry cuts.

But the clearest indication of whether French unions can repeat the action which brought the country to a month-long standstill last winter will come on October 17 when rail workers demonstrate against the break-up of French national railways before privatisation.

Simitis brings in the Westernisers

Helen Smith in Athens

GREECE'S new socialist government took its oath of office yesterday. The prime minister, Costas Simitis, appointed a host of younger, Western-educated politicians to ministerial posts.

Socialist cadres associated with the late Andreas Papandreu, whom Mr Simitis, aged 60, succeeded last January, were mostly discarded.

Three super-ministries overseeing the economy, public administration and development were created. Yiannos Papantoniou, the economy minister, was also given the finance portfolio, while Vasso Papandreu, one of two female ministers, remained in charge of development.

Alexandros Papadopoulos, another moderniser, took over the interior ministry with the order that he deflate Greece's civil service.

Aides said the moves reflected Mr Simitis's determination to enact the reforms needed if Greece — the European Union's poorest member — is to meet the targets of monetary and economic union.

But while new faces came in as deputy ministers, old ones retained key portfolios. Akis Tsochopoulos, for years Mr Papandreu's right hand man, took over defence while Gerassimos Arsenis, a one-time confidant of Papandreu's wife,

Dimitra Liani, assumed the education portfolio.

In an attempt to improve Greece's relations with other EU states, George Papandreu, the late leader's moderate son, was made deputy foreign minister.

But Mr Simitis kept Theodore Pangalos, one of the most outspoken ministers, at the helm of the foreign ministry. Western diplomats said this was because the prime minister needed a forceful politician to deal with Turkey.

the week

With specialist news, profiles and the latest developments. Read the week Every Saturday.

The Guardian

A mortgage quote in 10 minutes flat. No wonder it's called a hotline.

Make a quick call to TSB PhoneBank for a free mortgage quote.

Because you'll save yourself a lot of time by finding out exactly how much you can borrow before you go house hunting.

So if you want a free quote in ten minutes flat, ring TSB PhoneBank on the number below and simply ask for it.

CALL FREE 0500 758 000 Quoting ref GUH2

Mortgage Quotation Line

TSB We want you to say YES

Call may be recorded and monitored. A TSB Cheque account is required. An assignment agreement of a suitable life policy may be required by the Bank at maturity. Applicants must be aged 18 or over. All loans subject to credit check. Not available in the Channel Islands. When quotations are available on request by calling 0500 758 000. TSB Bank plc and TSB Bank Scotland plc are representatives of the TSB Marketing Group, which is regulated by the Financial Services Authority only for TSB UK insurance, pensions, unit trusts and related investments. Advice on recommendations may only be the investments of the TSB Marketing Group. TSB Bank plc, Victoria House, Victoria Square, Birmingham B1 1EQ. Registered in England and Wales. Number: 1080299. TSB Bank Scotland plc, Henry Dundas House, 150 George Street, Edinburgh EH2 4JH. Registered in Scotland. Number: 90282.

YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR OTHER LOAN SECURED ON IT.

Handwritten signature or scribble at the bottom center of the page.

Arab League rallies behind Palestinians

Shyam Bhatia in Cairo reports on how Netanyahu has strained the Middle East peace process

BINYAMIN Netanyahu's victory in last May's general election was seen by most of Israel's Arab neighbours as the start of a countdown for a new Middle East confrontation. Yesterday it appeared the confrontation had begun in earnest.

Egypt, which has been conducting a war of words with the new Likud prime minister, blames the Israeli government for the latest crisis between Jews and Arabs.

When the Arab League meets in emergency session this morning in Cairo, Egypt and Syria will put pressure on other Arab countries to slow down the pace of normalisation with the Jewish state.

Oman, Qatar, Tunisia and Morocco, which have opened low grade diplomatic contacts with Israel, will be urged to reconsider.

The Arab League is expected to issue a strong statement holding Israel responsible for the latest spate of violence in the West Bank and Gaza. It will call on the Israeli government to fulfil its commitments to the peace process and to hold back from provocative measures such as opening the tunnel alongside Jerusalem's Temple Mount.

This is the second time in three months that Arab officials are meeting to express concern over the policies of

the rightwing Netanyahu government. When Arab heads of state met in Cairo in June they warned Mr Netanyahu not to break Israeli commitments to strive for a comprehensive peace settlement.

Arab governments say Mr Netanyahu seems determined to destroy what his Labour government predecessors, Yitzhak Rabin and Shimon Peres, built.

In recent weeks tension has been building between Jerusalem and Damascus, Beirut, Cairo and Amman. These Arab capitals were more measured in their reactions to Israel's policies under the previous Labour government.

Now the prevailing atmosphere is of suspicion, hostility and accusation. Only two weeks ago Arab military analysts were discussing the prospect of a new war between Israel and Syria, after Syria redeployed troops in Lebanon.

The Syrian move came in the wake of statements by the Likud government that Israel would never withdraw from the occupied Golan Heights captured from Syria in the 1967 Middle East war.

Government officials in Damascus have described the Netanyahu government as "fascist" and "racist". But the most scathing attacks are from Cairo where Egypt's government-controlled press has spared no effort to bad-

mouth the Israeli prime minister. One newspaper described him as a Nazi.

Many writers and analysts delight in playing with his name in Arabic. When Netanyahu is broken into three Arabic syllables it can be read as: "He is stinking."

Egyptian officials said that the real reason behind the press campaign was the feeling that Mr Netanyahu duped President Hosni Mubarak at their first meeting. Mr Mubarak expressed satisfaction with Mr Netanyahu's views, then, saying he believed the Israeli prime minister was "fully committed" to peace.

"In my opinion the main reason for this crisis is that Binyamin Netanyahu is an Americanised Israeli," said Mr Mubarak's former press secretary, Mohammed Abdel Moneim. "He's Western-minded. He mastered the American slang in the English language and his fatal mistake now is that he is addressing the Arabs in that language, not knowing there is a huge barrier between this culture and that one."

Relations between Cairo and Jerusalem have plunged to such depths that Israel cannot find a replacement for its outgoing ambassador in Cairo, David Sultan.

The irony is that Mr Netanyahu and his advisers seem to be unaware of the renewed tensions between Israel and Egypt. Less than a week ago Mr Netanyahu's political adviser, Dr Dore Gold, spoke of the many positive elements in relations between the two.



A build-up of tension yesterday following delays over self-rule led to the worst Israeli-Palestinian clashes for two years

PHOTOGRAPH: SANAD BAKHLEH

Amnesty team in Turkey to highlight latest rights abuses

Chris Nuttall in Ankara

AN Amnesty International delegation arrived in Turkey yesterday against a backdrop of more riots over prison conditions.

Amnesty expects to discuss the deteriorating situation with the government. It will also meet Turkish human rights organisations, professional bodies, victims of abuses and their relatives, and is due to announce an international campaign to highlight human rights in Turkey.

A ninth prisoner died yesterday as a result of rioting and a fire on Tuesday at the Diyarbakir prison in south-eastern Turkey. Kadir Demir was one of 14 inmates transferred to Gaziantep jail, 200 miles west of Diyarbakir.

Inmates had protested against the transfer, saying the government was reneging on a promise to end the movement of prisoners to jails far away from their trials and families. The deal had brought to an end a hunger strike in July in which 12 prisoners died.

Anatolia news agency said the prisoner had been wounded in the riots and died in a hospital in Gaziantep. The Turkish Human Rights Association said the nine deaths had resulted from blows by batons or gun butts after the security forces were sent into the prison. It holds around 800 Kurds, jailed for connections with separatist PKK guerrillas.

The Turkish military reported yesterday that 47 militants and six soldiers had been killed in an operation in the south-east against the PKK. Fifteen deaths were reported in Tunceli province where the armed forces said earlier they had encircled 250 guerrillas in a forest.

The trial opened in Ankara yesterday of 23 members of the pro-Kurdish party HADEP. The Turkish flag was torn down by masked men at HADEP's party congress in June and a poster of the PKK's leader, Abdullah Ocalan, was raised in its place.

The charges accused HADEP members, including the leader, Murat Bozalk, of being the political wing of the PKK terrorist organisation. The state prosecutor called for jail sentences of up to 22 years.

Battle for UN crown begins



Boutros-Ghali, above, is bracing himself to fight off the US veto on his second term, Ian Black reports from New York

BOUTROS Boutros-Ghali, the United Nations secretary-general, is vowing not to bow out quietly as it dawns on his supporters that the United States is deadly serious about vetoing a second term.

President Bill Clinton pointedly made no reference to the controversial succession question when he addressed the General Assembly on Tuesday, and his brief meeting with the veteran Egyptian diplomat was little more than a contrived photograph opportunity.

But behind the forced smiles both sides are preparing for the final push. The White House has convinced doubters by publicly declaring the veto decision "irrevocable".

UN officials who previously argued that Mr Clinton was playing to a Republican gallery and would back down after the November election admit that Mr Boutros-Ghali's prospects are fading.

Formally he is still backed by France, China and Russia, three of the five permanent members of the Security Council, though Hervé de Charette, the French foreign minister, hinted yesterday that Paris was reluctantly coming to terms with the secretary-general's demise.

Britain, caught hopping by the announcement in May that the US would block a second term, has maintained a public silence but signalled privately that it has abandoned the incumbent.

"I don't think he has a lot of

support from the British," said a senior White House official. A UN insider was blunter: "The Brits have dumped him."

Malcolm Rifkind, the Foreign Secretary, would only say that a period of "quiet diplomacy" was needed.

As Security Council foreign ministers met yesterday to grasp the nettle, it seemed likely that Mr Boutros-Ghali would be persuaded to step aside "for the good of the organisation".

"We do want candidates to emerge, but not with our backing, because that will just line up others to take their retribution," an American official said.

Senior UN sources insist that Mr Boutros-Ghali will not make it easy for Washington. "The others are so damn mad with the Americans that it would be a blow to them if he caved in now," one said.

"Not caving in now is another way of punishing the Americans. In any case, I don't see him pulling out before the election. The game is beginning now and he's playing it. Why should he bow out? He's a very feisty guy."

Diplomats predict that the real action will begin in December, the final month of Mr Boutros-Ghali's five-year tenure, because Washington would like to use the Italian presidency of the Security Council to finalise a choice.

Who that choice may be remains a tantalising mystery, fraught with regional, international and even racial complications which promise a photo-finish to a race which will be run mostly out of the public eye.

The Irish president, Mary Robinson, and Gro Harlem Brundtland, prime minister of Norway, have been suggested, but both are seen by rightwing US Republicans as soft on abortion.

Kofi Annan, a Ghanaian UN undersecretary-general, is favoured as the African who should succeed under the "biggins turn" system of regional rotation which China and France insist should be maintained. An intriguing African possibility is Judge Richard Goldstone, the white South African who heads the UN war crimes tribunal in The Hague.

Many favour Sedako Ogata, the formidable UN High Commissioner for Refugees, but Tokyo is reluctant to back her for fear of provoking Japan's chance of securing a Security Council seat — the secretary-general cannot come from a permanent member.

AST. Supercharge your Software.

£1995
R.R.P. (EX. VAT)

£2344
R.R.P. (INC. VAT)

Gain up to 64% performance boost!

Business computing is entering a stunning new age of power and performance, and the AST Bravo MS-T Pro focuses the new technology to catapult your company into the next dimension.

The 32-bit dynamic execution of the Bravo MS-T Pro's Pentium® Pro processors 180 and 200MHz, combined with MS Windows NT®, run 32-bit software applications at optimum speed. Backed by 256KB integrated cache, Intel's 486FX PCset and 16 or 32MB of EDO RAM as standard, the Bravo MS-T Pro 6180 delivers as much as 64% performance increase over a Bravo MS-T 166MHz Pentium processor-based system.

Superfast graphics, with 3D rendering and smooth

30FPS full motion video are assured by the latest Matrox MGA Millennium board and 2MB of dedicated Windows RAM. Add 16-bit Soundblaster compatibility - plus 8 speed CD ROM - and multi-media potential is virtually limitless.

The specification not only maximises the latest 32-bit software - but reduces the total cost of ownership by adding productivity levels. In addition, the AST-CommandCenter™ software eases the cost of operating and administering systems. So supercharge your software today and you'll have all the power you need tomorrow.

- MS Windows NT 4.0™
- Intel Pentium® Pro processor 180 or 200MHz
- Intel 486FX PCset
- 256KB integrated cache
- 16 or 32MB of EDO RAM
- Matrox MGA Millennium graphics board with 2MB dedicated VRAM
- 16-bit Soundblaster® audio compatibility
- 8 speed CD-ROM drive
- AST-CommandCenter™ anti-virus/security/management/Internet/Intranet software.

CALL THE AST INFORMATION SERVICE ON
0 9 9 0 6 1 1 6 1 1

AST

Part of New Labour's problem is the fear that equality is not a marketable commodity.

Roy Hattersley

Books, G2 page 10

The Guardian

red child

se off than

study finds

Westernisers

page in

s flat.

ider

hotline.

758 000

TSB

A global boom beckons

But why won't British industry invest to meet it?

THE WORLD economy is (relatively speaking) an exciting place to be at the moment - as long as you don't live on the Continent of Europe. That is the gist of yesterday's IMF global forecasts which will make agreeable reading for anyone who thinks they are going to win next year's general election. World output is forecast to expand by 3.8 per cent this year with Britain managing a modest 2.3 per cent (rising to 3.0 per cent in 1997), but France, Italy and Germany - shortly hoping to be joined in economic matrimony - will grow at barely a third of the world average. The UK could experience strong growth next year and falling unemployment without triggering inflation, according to the IMF, as long as the fiscal deficit is reduced and tax cuts are avoided before the election. In these circumstances yesterday's call by the CBI for a "boring" budget with no significant tax reductions or heavy public spending cuts has a lot going for it. Maybe the Chancellor should put the economy on automatic pilot as he heads for the hustings.

The health of the UK economy, however, looks much better viewed from the Continent than from the other side of the Atlantic. The UK has been showing a clean pair of heels to the likes of France and Germany whose economies have been subjected to a fierce monetary and fiscal squeeze to get them match-fit for Maastricht while ducking the supply side reconstruction that Britain has experienced. In this sullen context the job creating potential of the UK economy (93,000 new jobs during the past year) looks impressive against stagnation over there. Also, as the economist Walter Eltis claims, the real take-home pay of production workers in the UK increased by almost 36 per cent in the 15 years to 1994 compared with 3 per cent in Germany and less than 2 per cent in France. Another way of looking

at these figures is that in Britain the Government has presided over a massive transfer of incomes from the poor, the unemployed and pensioners to people in work whereas on the Continent the welfare state has - at a cost - provided for all. The feel-good factor is a carefully targeted phenomenon.

Turn now to the United States. The downside is that working people have suffered a 7 per cent decline in their incomes on average during the past 15 years. The good news is that in July alone the number of new jobs created was twice as many as the UK generates in a whole year and that during the past 10 years the US economy has produced a staggering 18 million new jobs. More than that, the US has engineered the sort of balanced recovery that Britain can only dream about. Whereas Britain's recovery has battened on consumption, that of the US has seen capital spending expanding for 16 consecutive quarters contributing 15 per cent of growth. Investment by manufacturing industry in the US has been particularly strong in stark contrast to the UK where the latest figures (published yesterday) show that manufacturing investment - without which long-term growth is impossible - has actually declined by 7 per cent over the past year. Apart from Britain's excessive budget deficit (which may be tempered by faster growth shortly) the appalling state of manufacturing investment remains the biggest blot on Kenneth Clarke's otherwise shrewd stewardship. Maybe he should make this budget even more boring for the punters - and that much more important for the economy - by devoting what few spare resources he has to persuading industry to end what might be viewed by some as an investment strike. It won't win the election but it will make life worth living next year for him or his successor.

Too smart for his own fist

Mr Netanyahu is risking a reversal of the peace process

UNDERMINING the fragile peace process between Israel and the Palestinians is no longer just a figure of speech, with the completion of the "tourist tunnel" on the edge of the Temple Mount and the lethal violence which has followed on the West Bank. Many Arabs believe Mr Netanyahu, who directly authorised its completion, wants to wreck the peace process. It certainly seems that he wants to redefine it on his own terms, and does not care too much if it goes wrong. If the Palestinians protest, the burden lies on their heads. This is the hard logic of a man who thinks he holds the high ground, but does he not realise that he may be digging it from under his feet?

Israel yesterday sought to present the Arab stone-throwing in Ramallah as a calculated provocation by the Palestinian Authority (PA), to which its troops had no alternative but to reply with force. The muddled events do not bear that interpretation; rather, they reflect the incoherent anger of Palestinians who regard the tunnel as one provocation too many from a hard-dealing Likud government. Israel will have a difficult job convincing anyone that Mr Arafat, regarded as an appeaser by many of his Arab critics, is responsible. To claim that the new tunnel exit is merely a means of speeding up the tourist flow in the Old City ignores the political context. The senior Likud figure and mayor of Jerusalem Ehud Olmert did not conceal the deeper motive: it was to tell the Palestinians that "we

are not playing games" and that the city will never be up for discussion "because we (the Israelis) are the sovereign". The incident follows other recent muscular steps, also authorised by Mr Netanyahu and including the accelerated construction of new Jewish housing, while there have been no corresponding steps to fulfil negotiated promises to the PA. As the more moderate mayor of Tel Aviv Roni Milo observes, it was at least foolish to force the issue of Temple Mount before withdrawing Israeli soldiers from Hebron, as required by treaty six months ago.

In London yesterday, Mr Netanyahu continued to show his undoubted skill in packing hard facts between soft words. He presents his long-delayed meeting with Mr Arafat as an enormous concession. He calls for good faith on both sides, having shown hard in scrapping or postponing Israeli commitments. He argues that Israel's new objectives, once they are properly understood by the Palestinians, will be theirs too. He reproaches President Mubarak - another performer best known for leaning over backwards - because Egypt can no longer stifle its alarm at Israeli procrastination. Mr Netanyahu is, as we all know, a very smart guy. But there is a real question now - shared by many worried Israelis - as to whether he may be too smart to see beyond his own fist. In the peace process, one thing has led to another. The same will be true in disastrous reverse if it continues to be undermined.

Even the foolish have rights

Jeremy Corbyn can invite whom he likes to Westminster

EVERY few years, the London Labour MP Jeremy Corbyn indulges his romantic support for Irish republicans by using his parliamentary privileges to give them a publicity platform. These occasions always also provide a showcase for Mr Corbyn's abiding qualities: his lack of wider political and moral judgment, his predilection for gesture politics, his insensitivity to the feelings of most Londoners and his indifference to the policies of his party.

Now he has done it again, this time by inviting Gerry Adams to Westminster in a week in which London is still reeling from its narrow escape from a major bombing, at a time when the IRA's reversion to violence has been arguably the principal cause of the deterioration of the situation this year in Northern Ireland, at a time when Parliament is not even sitting, and in the days leading up to his party's important annual conference on the eve of

an election which Labour has to win. Mr Corbyn's actions do not advance the cause of peace in Northern Ireland and are not seriously intended to do so. It is surprising that a politician as clever and important as the Sinn Fein leader should be bothered with him. Grown-up people ought to keep this childish sideshow in perspective.

Mr Corbyn is a fool, and a fool whom the Labour Party would probably be better off without. However, even fools have rights. As an elected MP Mr Corbyn is entitled to invite whom he pleases to Westminster, certainly including Mr Adams. The parliamentary authorities, let alone the Government, have no business trying to prevent him from doing so. It comes pretty ill from Conservative MPs, some of whom treat Westminster as a pig's trough for their own commercial clients, to pontificate about Mr Corbyn's judgment when their own is hardly any better.



Letters to the Editor

Harriet Harman's pension plan

Politics, a dirty business

LABOUR Party members and supporters know that we will have to make tough choices in Government. We must get our priorities right and set them out clearly (An acid-test for Labour, September 17).

We are committed to all pensioners sharing fairly in rising national prosperity. Our first pensions priority must be the 700,000 poorest pensioners who don't get the income support which they should get and are losing an average of £14 per week. Labour will replace the unfairness and inefficiency of income support with measures which would ensure a minimum income in retirement through a new Pension Entitlement.

A flat-rate increase would not attack the growing inequality of income of those in retirement. It would help the richest pensioners but would give nothing to those on Income Support - who would lose the pension increase pound for pound from their benefits.

In the past the earnings link has not kept people of means-tested benefits. In 1979, even with the earnings link, there was a higher proportion of pensioners on Income Support than there are now. The crucial difference between means-testing and restoring the earnings link would mean an increase of 2.5p on the basic rate of tax.

We cannot make a promise of an extra £5.5 billion of public spending required by proposals for a flat-rate increase in the basic state pension and restoring the earnings link would mean an increase of 2.5p on the basic rate of tax.

We cannot make a promise of an extra £5.5 billion of public spending required by proposals for a flat-rate increase in the basic state pension and restoring the earnings link would mean an increase of 2.5p on the basic rate of tax.

ping out of Serps, we propose a new framework of "stateholder pensions" which would provide a good second-tier pension for the millions who do not have access to an occupational pension scheme. And it is why we are determined not to undermine occupational pensions.

At Labour Party conference the debate will not be about the objectives - we all share the same aims. It will be about the means to achieve those common objectives. But the debate must not be strangled by unrealistic estimates of the costs involved. Barbara Castle and Peter Townsend claim (here's how we can all be better off, September 17) that the higher pensions could be funded painlessly by using the "profit" in the National Insurance fund. But this "profit" is actually National Insurance rebates currently financing the occupational and personal pensions of 16 million people.

Funding the additional £5.5 billion of public spending required by proposals for a flat-rate increase in the basic state pension and restoring the earnings link would mean an increase of 2.5p on the basic rate of tax.

We cannot make a promise of an extra £5.5 billion of public spending required by proposals for a flat-rate increase in the basic state pension and restoring the earnings link would mean an increase of 2.5p on the basic rate of tax.

We cannot make a promise of an extra £5.5 billion of public spending required by proposals for a flat-rate increase in the basic state pension and restoring the earnings link would mean an increase of 2.5p on the basic rate of tax.

We cannot make a promise of an extra £5.5 billion of public spending required by proposals for a flat-rate increase in the basic state pension and restoring the earnings link would mean an increase of 2.5p on the basic rate of tax.

the policies we took to the electorate last time. Harriet Harman MP, Shadow Secretary of State for Social Security, House of Commons, London SW1A 0AA.

HARRIET HARMAN might be capable in her new role, but I believe she lacks basic commitment to the ethics and principles of Labour. Her opposition to the restoration of the right of all pensioners to have their pension limited to average earnings, as it was in the 1970s, raises a huge question mark against her once again (Harman seeks to blunt Castle's pension claim, September 23).

Harman's statement that any increase should be means-tested and concentrate on the poorest pensioners destroys the principle accepted by the last Labour government. I am 78 years old and for the last 17 years I have been waiting and hoping for a Labour government to restore honesty, competence and justice for all, but I am sick of the prevarications and fear shown by the current leadership. Alf Everton, 13 Micawber Way, Chelmsford, Essex CM1 4UG.

IN its rush to avoid damaging headline headlines, the Labour leadership is looking a pensions gift horse in the mouth. A Labour government would inherit a surplus in the National Insurance Fund,

without raising taxes or NI contributions there will be at least £3 billion a year to play with. Modest changes to the upper earnings limit and private-pension subsidies would yield much more.

Harriet Harman could turn two of Labour's conference hazards into triumphs by promising to devote the NI surplus to both pensioners and young people. Thus a start could be made on restoring the value of the basic NI pension and a new system of educational allowances for 16- to 18-year-olds could be introduced without taking away child benefit. (Prof A C Walker, Department of Sociological Studies, University of Sheffield, Northumberland Road, Sheffield S10 2TU.)

I AM appalled at Harriet Harman's excuse for opposing a flat-rate increase on the basis that it would include Margaret and Dennis Thatcher. This nonsense comes in the wake of Gordon Brown's excuse for removing child benefit because the odd millionaire with a son at Eton would receive the extra income. Neither Margaret and Dennis nor the millionaire will have their lifestyles altered. It is reminiscent of the Tory argument for not giving the poor baths on the basis that some would keep coal in them. Brian Bethell, 3 Cherry Drive, Canterbury, Kent CT2 8HF.

I AM writing to correct Francis Whelan's almost completely inaccurate purported account of Harold Wilson's interview on a train immediately after the 1986 election (Whelan's world, September 25). Whelan says the train journey in question was "on polling night". In fact, it was on the mid-morning of the following day, April 1. Whelan says that the interview never took place because Wilson "stormed out of the BBC carriage". In fact, Wilson had decided weeks before not to give the interview. He could not have stormed out of the carriage because he never set foot in the carriage. He spent the entire journey sitting in his own compartment reading the newspapers and chatting with his staff, of whom I was one.

Whelan says that "just as the cameras were starting to roll" Wilson had a confrontation with John Morgan of the BBC. The cameras never started to roll, for the reason given above. Furthermore, Wilson never saw John Morgan and never spoke a word to him or to anyone else connected with the BBC. Wilson's refusal to give the interview was conveyed to the BBC by myself, as his political press officer. Rt Hon Gerald Kaufman MP, House of Commons, London SW1A 0AA.

HOW disappointing to read that Mandy Mandelson regards my friend Andy McSmith as "one of the most biased, ill-informed, malicious and unpleasant journalists in Westminster" (Diary, September 25). Peter always told me that I held that special place in his affections. I am devastated to learn that just like Steve Norris's lovers, there are many who are.

It is strange how journalists cherish such badges of honour. When I was editing Tribune in the 1980s we described Michael Jones of the Sunday Times as "the most ignorant political journalist in Fleet Street". He promptly had the article blown up and framed on his office wall. Nigel Williamson, High Beches, Southampton Avenue, Biggin Hill, Kent TN16 3HG.

I HAVE always regarded the BT logo (Letters, September 25) as a representation of a classical god, presumably the god of communication. Now, what was his name? Ah, yes, Mercury. Martyn Wilson, 1 Handbury Road, Malvern Link, Worcestershire WR14 1NN.

Wind of change

WIND farms will not desert our coasts (Letters, September 25). A typical farm of about 20 turbines extends over an area of 1 to 2km, but only about 1 to 2 per cent of this land is occupied by the turbines and access tracks. The bulk of the land can still be used as before.

To achieve 10 per cent of our electricity from wind farms, the British Wind Energy Association has estimated that 2,500 hectares would be needed to accommodate the turbine foundations and access roads, and 18.5 million hectares used for agriculture.

Tidal power is not the answer. If every reasonably practicable estuary were used, the yield would be 20 per cent of present electricity consumption. The environmental impact of such schemes is significant by interrupting the flow of water, a barrage would change the tidal regime, level of salt, turbidity and sedimentation patterns. It would also affect fish migration. And we would still need other energy sources. Linda Fletcher, Friends of the Earth, 26-28 Underwood Street, London N1 7JQ.

AFTER 15 windswept years working for Britain's ports, I have no doubt that the most appropriate sites for wind generators are to be found in the nation's docks and harbours. There are around 650 ports and harbour installations in the UK, and a great number of them have spare land, quays and jetties on exposed and windy parts of the coast, highly suitable for wind generators. Surely it would not be beyond our dynamic, mainly privatised, ports industry to get together with its privatised counterparts in the electricity industry? If the Port of Blyth can do it, aren't all our other enterprising port chiefs missing a trick? Nigel Walker, 21 Herbert Street, London NW5 4HA.



Expletives not quite deleted

JOHN AYTO is correct about the F-word (You can swear by it, September 25), but what about the C-word? This is the only one that can still raise eyebrows and cause protest in my local pub, where the former is heard 10 times a minute. The fact that the word, which is regarded (by men) as their ultimate swear-word and worst insult, is a simple description of female genitalia illustrates, to me, how very far feminism still has to go. Constance Moors, Audley Road, Alsgar, Stoke-on-Trent ST7.

Letters to the Editor may be faxed on 0171 837 4530 or posted to 119 Farringdon Road, London EC1R 3ER, and by e-mail to letters@guardian.co.uk. We regret we cannot acknowledge receipt of letters. We may edit them; shorter ones are more likely to appear.

Voting for a tactical strategy

IF LibDem voters followed Menzies Campbell's advice (LibDem peer pleads for tactical voting, September 24) to maximise his party's vote in order to pressurise Labour into backing proportional representation, they will not be ensuring that we get PR after the next general election. What we will get instead is another Conservative government.

Lord Rogers, on the other hand, in urging voters to be unwinnable LibDem seats to vote for the contender which has the best chance of defeating the Tories, is putting the interests of the people above those of his party. Grok, the Get Rid Of Them anti-Tory tactical-voting campaign, has selected 79 Tory marginals which, with informed tactical voting, could give 15 seats to the LibDems, three to the SNE, and 61 to Labour, and would ensure a non-Tory government. Bernard Knight, Get Rid Of Them (Grok), 6 Cynthia Street, London W12 8BN.

Sick of labels

IRIS Murdoch's reaction to her writer's block (Duet in perfect harmony, September 21) reinforced my feeling that a great disservice has been done to us "oldies" by the prominence given to Alzheimer's disease. In all my 74 years I have known only two cases of actual Alzheimer's, though many where there were lapses in memory, or slight confusion, referred to in my youth as "going a bit dotty", or "back to their secure childhood". It is usually treated with sympathetic amusement as signs that the machine was beginning to wear out. Where is the point in all this coverage? There is no cure. When there is, we shall all be most happy to hear of it. Until then, I only wish that Alois Alzheimer had never been born. Jeanne Pearce, Melrose Road, London SW19.

I HAVE always regarded the BT logo (Letters, September 25) as a representation of a classical god, presumably the god of communication. Now, what was his name? Ah, yes, Mercury. Martyn Wilson, 1 Handbury Road, Malvern Link, Worcestershire WR14 1NN.

A Country Diary

LOCH RUTHVEN: Slavonian grebes breed on a number of lochs around Inverness so I tend to forget that it is a rare species that attracts bird-watchers from all over Britain. With a population of around 60 pairs this makes it rarer than species such as the golden eagle with over 400 breeding pairs. The main breeding loch for the grebes was the first nest was found there in 1908 - is Loch Ruthven that lies only a few miles from my house and late September found me in the RSPB hide on the shore of the loch. The advantage of being there at this time of the year is that there are no people about but there is also the snag that there are no birds around either. The visitors' diary indicated that in the previous two weeks no birds had been seen at all, apart from a pair of tree creepers on a birch tree near the hide. The last record for Slavonian grebes had been on September 2 when an adult and juvenile were seen as well as a late osprey carrying a fish over the loch. The absence of birds was more than compensated for by the silence - that silence of the Highlands that is magical wherever you are. I did not see or hear a single bird but I made a note in my notebook that a fresh dropping of a pine marten indicated it had walked down the path the night before. I drove on to Loch Ashlie as if chasing the grebes as this loch is the centre for a gathering of moulting birds when, for a short time, they are flightless. I have seen eighty grebes on this loch on a September day a few years ago and although this time there were only a few they were mixed with goldeneyes and tufted ducks. The grebes will spend some time on the loch before the majority move to the coast where they run the gauntlet of oil spills. The birds will stay on the sea, often in sheltered bays, until March finds the breeding sites once again being occupied. RAY COLLIER

John, in his...

Diary
Matthew Norman

TODAY'S extract from Faces Of Labour, The Inside Story, by Andy McSmith, is postponed due to sensational late news: Mandy Mandelson, the MP for Hartlepool, has been spotted in a gym. He was seen yesterday, shortly after 5pm, working out in the YMCA in Tottenham Court Road. "He had shorts on and a sort of boxer's vest," says my source, "and he was doing a kind of semi-stationary hop that looked like a posture exercise. Actually, he was doing more preening than working out, although he's in pretty good shape for a man of his age."

MEANWHILE, in the day's second shock sighting, Mandy's friend Dolly Draper was spotted at the Lib Dem Conference in Brighton. At one point, as the sportsman, he was explaining why Dolly was to Lib Dem director of strategy Alan Leaman, but my agent was unable to overhear any detail. The visit couldn't, surely, be a sign that Mandy's well-known affection for merger (of which, more tomorrow) is getting stronger? Or even, God forbid, a defection?

THANKS to all who have contributed to the appeal for Christopher Eccleston, a man so phobic about personal publicity that he became a TV actor. You will recall that divulging any biographical detail, however impersonal, is excruciating to him, and so the aim is to collate enough information to negate the need for future profiles ever to torment him again today. Fact: Mr Eccleston grew up in Little Hulton, a suburb of Salford. Today's other fact: when he was introduced to a Manchester journalist who had compared him to Robert de Niro, he said: "You write any more of that patronising shite about me, and I'll have you."

HURRIED retake has interrupted an otherwise smooth recording of tonight's edition of football sports quiz 'Think It's All Over'. It came during the "feel the sportsman" round, in which contestants have to identify an athlete by touch alone. When team captain Gary Lineker had begun feeling his mystery body, presenter Nick Hancock whispered "All right, Vinnie?". When Mr Lineker leapt away from the body and whipped off his blindfold, he was greeted by the sight not of Vinnie Jones — who wants a word with him at the moment — but rugby international Victor Obogu. What viewers will see tonight is the retake, in which Mr Lineker identifies Mr Obogu without the aid of his eyes.

In the Argentine seaside town of Mar del Plata, delegates are gathering for the inaugural World Conference of Tramps. "The tramp shows total solidarity, shares his food, his knowledge, education and goods and donates his blood and organs selflessly," says organiser Peter Ridd of the Free Tramps' Movement, bafflingly. Mr Ridd tells Reuters that he expects 300 delegates from all over the world, but fails to explain where inter-continental air travel fees will be with life on the open road.

PETER Burke writes from Nottingham, noting an advert in the Financial Times, announcing the sale of assets belonging to a Midlands business. He wonders rhetorically why it should have gone into receivership now after trading for more than 150 years, and points out that what the firm made is factored was hospital beds.



Grandees waving and drowning

Commentary
Hugo Young

THE grandee wing of the Tory Party met yesterday in semi-secret session. Some of what was said was open, some was closed. Along with other journalists, I was kindly invited, but only under what they call Chatham House rules, which means that, with the exception of Douglas Hurd and David Hunt, nothing that was said could be attributed. The whole panoply of what might be in the Conservative election manifesto was debated, but anonymously. This arrangement was eloquent. As the great fight-back against the gargantuan tendency, it graphically expressed the strutting uncertainty, the terror of clarity, the almost paralysed defensiveness, by which the Conservative Mainstream is now all but engulfed.

That is the name of the new federation of the Tory left. The Mainstream launch wasn't helped by the intervention, the day before, of a real grandee, Nicholas Bonsor, fourth baronet of the line; and still

less by the inability of the Prime Minister, the patron saint to whose services Mainstream proclaims it is devoted, to terminate with extreme and instant prejudice the career of the first junior minister in history to take to the air for the insolent purpose of denouncing the Chancellor of the Exchequer. Such are the depths to which the Mainstream has been driven. They may be wavering, but they're also drowning.

Douglas Hurd, supplying the keynote message in private, described where Mainstream thinking came from. It "usually flows through peaceful meadows", he noted with puzzlement. Verdant tranquillity is what Mr Hurd is used to. Seventeen years of the Thatcher rage don't seem to have discouraged him from talking as if slow-moving opaqueness described the timeless stream of Conservative normality. And taking the long view, gentle zephyrs under grandee navigation have usually brought the vessel home. But now — though this was still only a "phase" — the stream was "passing through a gorge, and its waters become deeper and more turbulent".

This now required, Hurd said, some response. We have been silent long enough. The ocean-going liner of true Conservatism needed to traverse the alien tides and get back to

the meadows. It was time the old captains resumed command. Such is the purpose of Conservative Mainstream. Both the message and the strategy, I agree, are important. Leaving aside the grandness of the helm, these people, a hand-picked group of around 60 who include a smattering of MPs and one or two lesser ministers, take a view of politics that was once the orthodoxy. They are recognisable Old Tory. They defend the role of the state, take a balanced view of tax and spending, and believe, as Hurd said with passion, that the party "must not, even in our private thinking, despair of part of our population as fit only for poverty or prison". They're determined to take their stand.

They're quite right to do so. Conservatism isn't a stagnant pond, nor should it be surrendered to the sharks waiting to devour the bones of Tory history. Some kind of middle way is what most Conservative voters want to believe in, and what every non-Tory with an open mind would prefer to support. It is, actually, the ground the manifesto will at least be pretending to occupy. There are few Cabinet voices speaking for a minimal-state commitment just yet. The document is more likely to be palid Mainstream than soaring catbird. Its authors would also like, as Mainstream people were saying yesterday,

to put Europe in its proper place: about ninth in the list of voter concerns.

This, however, is where the vision becomes unreal. Europe may be ninth with the people, but it's first with the politicians, and has taken on a political life extending far beyond itself. Europe is metaphor and symbol. It can't be docked, high and dry, away from the turbulence. Twenty years ago, Lord Denning memorably described the Treaty of Rome's effect on English law. "The treaty is like an incoming tide," he said. "It flows into the estuaries and up the rivers. It cannot be held back." The Europe trace-line now pollutes every waterway of Conservatism from the west coast to the east coast.

The retention of Bonsor the dim grandee is the final disabusing

side, support the tacking and wheeling that has become the way Mr Major tries to keep on course. The Mainstream attitude to Europe has remained a well-known secret for too long. The pirates have been running away with the party, and the original owners owe it to the country to make an effort to get it back. The omen, however, are not good. Expose yourself to Mainstream thinking, and you soon become aware of something worse than the undeniable truth that all this is a bit late. The problems go much deeper. The first is that Mainstream

operators, the Tories of the meadows, are no match for the masters of the gorge. What Mainstreamers have to say is usually subtle and compromising. It engages with the awkwardness of reality. It has few simple solutions, makes little simple written for the trumpet-blast. The reason why extreme Euro-phobia has gripped the Conservative political machine, if not the Conservative vote, is that it appeals to simple statist prejudices that are especially ripe for exciting when the party is otherwise at electoral death's door. Even in the hands of confident politicians, the message from the Mainstream, weighed down by the ballast of 17 years, is hard to make float, let alone fly.

Second, though, these Mainstreamers seem invincibly to belong to the past. Passé is what they looked like yesterday, and not just because of the threadbare circumstances in which they half-secretly met. They have no chutzpah and no élan. They mostly tell the truth, but have no idea how to penetrate the media that have played the major part in removing them from Conservatism from the central channel to the eddies swirling viciously on the edge. They look tired and bewildered, as if they know, which they surely do, that they're no longer where it's at. If they did think moderate Conservatism bestrode the present, the retention in the Foreign Office of Bonsor the dim grandee, his friends convulsed in merry mirth, is the final disabusing. Mainstream, alas, can no longer describe the Tory Party. Mainstream is steady, straight, predictable. But the captain, now, is not in command of his ship. I can call spirits from the vasty deep, Hurd seemed to be saying yesterday. If words signed reality, perhaps he could. So could Mr Major. But when he calls for them, they won't come.

Heard the one about New Labour?



Mark Steel

TONY BLAIR has a dilemma. For his conference he has to prepare an hour-long speech; but if he sticks to the changes he intends to make from Conservative rule, all that will be left to say will be: "Brothers, sisters. Well, nothing really. Now for Auld Lang Syne."

who believe that closing hospitals is safe, selling arms to Saddam is safe, and dandruff from a piece of flex with an orange in your mouth is safe. "None of this can be rectified unless we are willing to reform our institutions. The practice of one or two barons wielding block votes that count for a million times more than the average member can no longer be tolerated. That is why we are proposing that company directors can only award themselves pay increases if voted on by everyone who uses gas, water or whatever the company makes, in a secret ballot after 90 days' notice, and if it goes the wrong way someone takes out an injunction and stops it anyway. Boom, boom.

"We must be willing to reform outdated institutions suited to the previous generation. So the royal family and the House of Lords will be elected by one man, one vote. Only public schools will be kept as they are, as there is something to be said for an institution that takes the sons of judges and wallops them with a stick. "Even our own Bible must be modernised. Indeed, Peter Mandelson has already completed a first draft which reads, 'And Jesus stormed into the Temple whereupon the moneylenders were going themselves. Jesus looketh upon them, turned unto a nearby widow bearing only mite and said: 'Eunice con- petition. For if the moneylenders gorge themselves, their gold will trickle down.'"

'Ladies and gentlemen, Blair's the name, there'll never be another'

ing themselves. Jesus looketh upon them, turned unto a nearby widow bearing only mite and said: 'Eunice con- petition. For if the moneylenders gorge themselves, their gold will trickle down.'"

Mark Steel, when not writing speeches for political leaders, presents the Mark Steel Solution on Radio 4 and is author of It's Not A Runner Bean (The Do Not Press)



How to stop stalkers

Michael Howard promises an urgent Bill to outlaw stalkers. But haste can result in bad law, warns Clare Dyer — much better to reach for one the Law Commission made earlier

WOMEN are stalked, harassed and pestered to the point of severe depression and anxiety, yet cannot rely on the criminal law to come to their rescue. The Home Secretary's promise to plug the loopholes, possibly by next spring, is welcome. The Government plans specific anti-stalking laws making it possible to convict stalkers without proving they intended to harm their victims. But is a hastily-drawn bill rushed through Parliament the right way to do it? A bill produced four years ago by the Government's own law-reform body would not only provide a remedy against stalkers but completely overhaul one of the most outdated areas of English law — the law on assaults. Prosecutors at present are forced to fall back on a 135-year-old law in a largely ineffective attempt to plug a yawning gap in the law which leaves thousands of women unprotected. To the Victorian drafters of the 1861 Offences Against The Person Act, the

peace. In Scotland, new laws are not needed because this charge works well against stalkers; Scottish case law has defined breach of the peace so widely it can include any conduct likely to cause alarm, whether intended or not. In England the charge was used this year against Bernard Quinn, who shadowed Princess Anne for years and showered her with letters, and Klaus Wagner, Princess Diana's stalker. But both prosecutions failed because there was no cause for anyone to fear a violent incident.

In more serious cases, prosecutors are arguing that the psychological stress, anxiety and depression caused by the stalker's relentless pursuit amounts to actual or grievous bodily harm. The problem is proving that the stalker intended his victim harm, a key ingredient in the offence. Typically he has no mid-finger on her. Often, far from wanting to hurt her, he claims to be in love with her and sometimes even to believe that she loves him. The results in these cases have been patchy. Anthony Burslow, the first stalker found guilty of the charge, so his case was no precedent. Unusually, his was a hate rather than a love campaign, and a menacing note, concluding "nothing will change how much I hate you" eased the prosecution's task of proving intent. He appealed, arguing that "inflicting" grievous bodily harm — the words used

in the act — meant physical damage. His appeal was rejected by the Appeal Court, but may go to the House of Lords, prolonging uncertainties over the law. Last week, the case against Dennis Chambers, who allegedly pestered 30-year-old restaurant manager Margaret Bent for four years, collapsed because the hurdle of proving intent was too high. He had told police in his interview that his Bent had "no need to panic".

On Tuesday a jury convicted Clarence Morris, with a long history of sex attacks and assaults, of the lesser offence of causing actual bodily harm to dental nurse Perry Southall, a Pamela Anderson look-alike. The judge, Gerald Butler, called for urgent action by Parliament to make stalking a criminal offence.

Last July the Government finally proposed new anti-stalking laws, apparently galvanised by an attempt by the Shadow Minister for Women to plug the gap with a private member's bill. The Government rejected Janet Anderson's bill, claiming it was too wide and would also have caught investigative journalists and Jehovah's witnesses. The Home Office proposals would remove the need to prove that the stalker intended harm. Two new criminal offences would be created — behaving in a way which causes people to fear for their safety, punishable by an unlimited fine or up to five years in prison; and causing harass-

ment, alarm and distress, punishable by a fine of up to £5,000 or up to six months in prison. A new civil measure would allow victims of stalkers to seek a court injunction against further molestation. Breach of this would be a criminal offence, punishable by up to five years in prison.

But is this the right way to do it? A bill still has to be drafted, and previous examples of rushed Home Office drafting are not reassuring. After 135 years, the Offences Against The Person Act is long overdue for repeal. Still used to prosecute most non-fatal violent offences, its complexities and archaisms give rise to over-long trials and frequent appeals, at huge cost to the taxpayer. A Law Commission bill drafted in 1982 would replace the act with a comprehensive modern law, making it an offence to cause psychological harm "intentionally or recklessly". "Recklessly" is widely defined and would cover cases where a defendant is aware of the risk that his behaviour could impair his victim's mental health.

The Law Commission believes — backed up by academic experts — that the bill would plug the loopholes which now allows stalkers to escape. The bill is impeccably drafted, ready to go, and backed up by lengthy consultation. What is the Home Secretary waiting for?

Clare Dyer is the Guardian's legal correspondent

HOW TO SAVE MONEY ON INTERNATIONAL PHONE CALLS... AND NATIONAL PHONE CALLS... AND PAY NO JOINING OR CALL CONNECTION CHARGES!

- TexNET is a unique telephone service. Look at what it offers:
- Up to 28% savings on National calls
- Up to 50% savings on International calls
- No joining fees, no call connection or exchange access fees
- No prepayment of bills, no membership costs
- A 5 minute UK National Call on BT will cost 37.5p from October 8th, TexNET will still be just 30p for the same call
- No pin numbers or complex codes - simply dial 1690 before each call
- For all your TexNET calls you receive a fully itemised monthly bill

START SAVING MONEY NOW For details of our National and International prices or to join TexNET CALL FREE ON 0500 70 2000

THE WORLD AT YOUR FINGERTIPS THE 29 All calls are based on both BT's and TexNET's peak time call rates before any discount packages. All calls are exclusive of VAT.

The Guardian
to Aristarco
Marxist guru
Italian film

Financial Editor: Alex Brummer
Telephone: 0171-239-9610
Fax: 0171-833-4456

Finance Guardian

Ford will shed up to 1,000 UK jobs as part of world cuts • Pledge of no compulsory redundancies

Halewood bears the brunt

Chris Barrie and Simon Meeks

FORD yesterday abruptly reopened a programme of intensive job cutting after a two-year lull with the news that it wants to shed up to 1,000 jobs from its UK plants by the end of the year. The bulk of the job losses will fall on the troubled Halewood factory on Merseyside which is waiting to hear whether it will join sister plants on the Continent in producing a new generation of Escorts.

The news was rushed out last night after hasty meetings with Ford workers at its UK sites. But the announcement was coupled with a pledge that there would be no compulsory redundancies. The UK market leader has more than halved its workforce since 1990 and now employs only 80,000 people. At the beginning of the 1990s the company had more than 90,000 workers in Britain but has been among the most aggressive in axing jobs to try to boost the efficiency of its plants.

Of the new job losses, at least 500 will fall on Halewood. Ford refused to confirm that the move was linked to news, reported in the Guardian last week, that the company is trying to outsource around 1,000 jobs from the Merseyside plant as the price of committing new investment to make the new Escort there.

But observers believe the latest move is linked to Ford's effort to modernise Halewood and to entice suppliers to set up shop on the periphery of the site. The Government will be asked to provide financial assistance to suppliers.

Ford employs 4,500 in the car factory at Halewood, and another 1,000 at the neighbouring gearbox factory. In the first half of this year the car factory suffered repeated bouts of production cuts. By contrast the Dagenham plant in east London is working close to full capacity.

Ford said it expected fewer than 200 jobs to go at Dagenham, fewer than 100 at the Southampton van plant and fewer than 50 at Bridgend. The remainder will be spread around smaller sites.

The company, currently enjoying the fruits of Britain's second highest car market ever, said that 80% of the jobs to go would be hourly paid workers. The rest would be salaried positions.

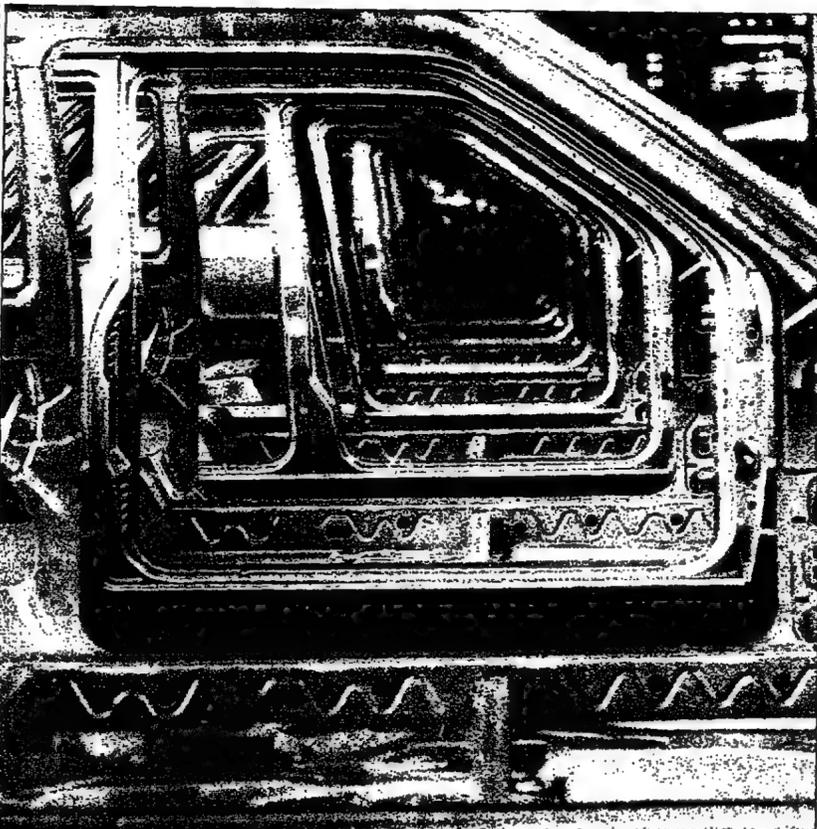
A spokesman said that the cuts were part of a global programme of rationalisation being pushed through at all Ford plants. The cuts were not related to UK market conditions and should not be interpreted as an indication that it fears a downturn in the economy.

Similar cuts have been ordered in North America, the Asia-Pacific region and across the rest of Europe. "This is a global programme to ensure that all our plants are fully competitive," the company said. "It is very important that all our plants can compete with other plants world-wide. British plants must be able to compete on a world-wide basis."

Sources at the Dagenham plant indicated that unions would be "relaxed" about the job cuts, provided that Ford abided by its long-running commitment to avoid enforced redundancies. An enhanced early retirement scheme is expected to be unveiled shortly.

However, observers believe Ford's campaign to boost efficiency by axing huge numbers of jobs has backfired in the recent past. It has been forced to rehire a contract staff who had quit just a short time before on lucrative pay-off.

Production blow... at least 600 jobs will go at Halewood



Production blow... at least 600 jobs will go at Halewood

PHOTOGRAPH DON MCFEE

Capital wheeze is no great boon



Edited by Mark Milner

BANKERS have always been go-between, providing the bridge between those who had money and those who needed it and were prepared to pay for it. The skill was in allowing depositors reasonable access to their money while at the same time lending on a much longer term basis.

The reward lay in the different rates banks could charge borrowers and lenders. The risk was that borrowers would go bust, leaving the bank to pick up the bill.

So much for banking, old style. Today's banks are different, looking to earn more of their profits from fees (payments for services) rather than from interest income. That is why many have bought investment banks, fund managers and insurance companies.

National Westminster, however, is taking the process of banking evolution a stage further. It is parcelling up some \$5 billion (£3.2 billion) worth of loans to some 300 corporate customers, securitising them and passing the parcel to a group of investors.

That still leaves it as a bridge between lender and borrower but the crucial difference is that as far as the \$5 billion is concerned, it is no longer the bank's capital which is at risk.

It is fair to put the exercise in context. NatWest is hardly pulling out corporate lending. The \$5 billion is only about one third of the general corporate loan book of its NatWest Markets offshoot. Nor is it based on any kind of necessity. The securitisation process does free up capital, but that is hardly in short supply at NatWest. Capital adequacy ratios are healthy and only recently the bank felt able to give back a hefty chunk of cash back to shareholders.

NatWest argues that the move allows it to take \$5 billion out of what is a very competitive and thus low margin business, allowing it to use the money to create shareholder value elsewhere.

In doing so it is bringing in new lending capacity because the investors who will buy the securitised loans would not have been able to lend to the companies individually. Nor does it believe the exercise will damage its relationship with those companies whose loans it is passing on.

For NatWest the exercise is one which simply makes the process of "intermediation" between lender and borrower more efficient.

Well up to a point, Lord Alton of Liverpool, who has written that NatWest is attracted by offering \$5 billion of lending capacity from a business where returns are waler thin. Securitisation also gives

the bank greater balance sheet flexibility. There is nothing to prevent the bank, perhaps in time of greater capital constraint, repeating the process.

But it could be argued that the whole thing will simply encourage top quality corporate borrowers to cut out the "intermediation" and go direct to the capital markets instead of the banks. It is not as if, these days, they need anyone to show them the way.

There is also the question of what NatWest will do with the extra lending capacity it has created. It could lend the money to yet more corporates. But top quality borrowers would provide the same low returns. Higher returns would involve greater risk.

Alternatively it could eschew fresh lending and use that part of its own capital freed up by the exercise to help fund an acquisition or to give yet more cash back to its shareholders.

The first looks unlikely. NatWest has the financial muscle to buy what it wants without running down its loan book to do so. As for the other, it is one thing to fund such an operation from surplus capital, another to do so by cashing in high quality if low margin loans. That might suit shareholders but it is hardly where banks fit into the wider economy.

SFO director urges change to fraud juries

Dan Atkinson

TRIAL BY jury of fraud cases has been "emasculated" by last week's judgement halting any further hearings into the Robert Maxwell affair, Serious Fraud Office director George Staple said yesterday. "A solution to this problem is now urgently required," he added.

Mr Staple said the combined effects of two court rulings — one into the Blue Arrow share-rigging case, the other into Maxwell — made it effectively impossible to try the largest and most complex criminal cases in front of an ordinary jury.

"I've always been a great supporter of juries [but]... in these very limited number of cases we have a problem." He suggested re-examination of the 1986 Roskill committee plans for the trial of fraud cases by a judge and two expert assessors.

Mr Staple was making his first statement on last week's ruling by Mr Justice Buckley that there would be no further hearings into allegations against Kevin Maxwell, former chairman of the Maxwell Communication Corporation media group founded by his father, Robert Maxwell.

The judge ruled that an acquittal of Kevin Maxwell by jurors earlier this year on some of the SFO charges ought to be the last word on his alleged role in the disappearance of £436 million of pension-fund money.

Mr Staple — speaking at a financial crime conference at solicitors Titmuss Salter Dechert — returned back to the appeal-court ruling into the Blue Arrow trial of 1991, when the court had called for "robust and early use" of the power to "sever" complex cases into a smaller number of "manageable" trials.

This practice, followed in the Maxwell trial, had in effect been ruled out by last week's decision, he suggested. As a result, complex fraud allegations could be tried before a jury neither in one long trial nor in a series of smaller hearings.

"This means the full criminality is unlikely ever to come before a court, nor will all the defendants. The system is thereby emasculated."

The director, who returns to the private sector next April, made it clear he expected the SFO to be fully consulted on any changes to the fraud-trial system.

Mr Staple described the Roskill committee as "very well-qualified", but said he did rule out other alternatives to the present system, chief among which would be the return of "special juries", abolished in 1970, composed of people with academic or business qualifications.

NatWest moves to boost profits by selling £3bn of blue-chip loans

Lisa Buckingham

NATIONAL Westminster Bank has decided to bundle up \$5 billion (£3.2 billion) of loans to large corporations and sell them to other investors in an attempt to improve the profits it makes on dealings with big companies.

The bank denied it had decided to securitise a part of its corporate loan book — the first time this has been done in Europe — because it made such poor profits.

A NatWest executive claimed that by bundling up some of its most highly rated loans, the package would be attractive to investors and would free up about £250 million of capital which could be more profitably deployed.

But analysts said a principal motive was that NatWest's margins on lending to big corporations had become "increasingly thin" over the past 10 years and the bank was now trying to improve profits by aiming for higher volumes of business.

Like other big banks, NatWest — which is estimated to lead about a third of blue-chip UK companies — relies on corporate lending to encourage a relationship which may result in more profitable business.

But the rates on lending to big corporates have declined thanks to the arrival of new financing devices such as commercial paper.

Shares in NatWest rose by 1p to 576p as analysts suggested the move would improve the bank's performance. But experts suggested the decision to securitise loans to 300 companies in Britain, Europe and the US could jeopardise the relationship that corporate lending was supposed to foster.

NatWest said, however, that the response from borrowers had been positive.

By securitising these loans, NatWest will improve its capacity to lend or spend elsewhere, as banks' outgoings are regulated by international banking covenants.

The bank declined to say where it plans to deploy its increased funds, although market analysts speculated it could lead to a share buy back — the market is predicting a \$450 million buy back next year — or a big acquisition.

The move allows it to take \$5 billion out of what is a very competitive and thus low margin business, allowing it to use the money to create shareholder value elsewhere.

In doing so it is bringing in new lending capacity because the investors who will buy the securitised loans would not have been able to lend to the companies individually. Nor does it believe the exercise will damage its relationship with those companies whose loans it is passing on.

For NatWest the exercise is one which simply makes the process of "intermediation" between lender and borrower more efficient.

Well up to a point, Lord Alton of Liverpool, who has written that NatWest is attracted by offering \$5 billion of lending capacity from a business where returns are waler thin. Securitisation also gives

What securitisation means

SECURITISATION, according to the Dictionary of Finance, means simply "the substitution of securities for bank loans". In effect, banks put together a parcel of their loan exposures — it may be mortgages, or in NatWest's case, a slice of the corporate lending book — and then sell shares in it.

Potential investors are supposed to be attracted by the high quality of the offerings plus the easy tradability of the shares. It's rather like a unit trust for the big boys.

For the bank or company doing the securitisation, the deal has the advantage of getting some unwanted exposure off its balance sheet. NatWest, for example, will improve its capital ratios (the important and internationally agreed criteria which govern how much it can lend and spend) by 0.2 per cent. Not much as a percentage, but in hard money that means chief executive, Derek Wainman, has an additional £250 million of firepower for a takeover or more profitable loans.

Labour moves to reassure City with pledge not to over-regulate

Emily Sheehan

IN a further attempt to reassure the City, Labour's new Shadow Economic Secretary, Mike O'Brien, yesterday pledged the party would not "over-regulate" the financial community, writes Sarah Wainman.

He said that although Labour was committed to creating an overall regulator, the party would consult the City on how best to form a single, statutory watchdog out of the existing two-tier system. Labour would not rush to establish it in the first year of government, he added.

The new City spokesman, who took over from Alistair Darling at the end of August, stressed that the plans for a single regulator were an attack on bureaucracy and costs, rather than an attempt to create a tougher regime.

Mr O'Brien said Labour would back the current regulatory trend away from a rule-based approach to raising standards. He told the Independent Financial Advisers Association: "We would rather have four rules that work than 400 rules which are so complex they are barely understood and which stifle initiative."

He added: "Regulation is about creating confidence. Over-regulation stifles initiative and undermines business."

Commission agrees to prop up bank

Julie Wolf in Brussels and Alex Duval Smith in Paris

THE European Commission yesterday allowed the French government to pump \$5 billion (£450 million) in emergency funding into the troubled Crédit Lyonnais bank while a new bail-out plan is drawn up.

Barely a year after the commission cleared a \$5 billion franc restructuring plan for the state-owned bank, European Union Competition Commissioner Karel Van Miert said that he expected Paris to put forward a "significant state-aid package" soon.

The commission yesterday also opened a formal investigation into the new state aid plan.

Approval of the stop-gap funding, which is to be spent by the end of the year, is to ensure that the bank does not again move into the red.

Commission officials signalled, however, that further government money would only be approved if Crédit Lyonnais sells off more assets

and the French government commits itself to privatising the bank.

Mr Van Miert said that he was under no illusions about the financial state of Crédit Lyonnais. "In order to be ready for privatisation, there is going to be a lot of public money needed for the bank," he said.

Much would depend on whether there were found to be any more "skeletons in the closet".

Crédit Lyonnais, which is due to unveil a third-quarter profit next week, could be due for a government cash injection of between \$10 billion and \$15 billion under its third restructuring plan.

But an analyst with a competitor bank hinted that the French government might have found a buyer for Crédit Lyonnais.

He said: "Crédit Lyonnais's state of health is no better now than it was three months ago."

"I do not understand why the government wants it to show a positive balance sheet next week — unless it is close to finding a buyer."

BT joins with Murdoch to jump into the Net

Nicholas Bannister

ROBERT Murdoch's News International, bruised from its first attempt to break into the Internet business in the UK, is to make a second attempt next year — this time with the powerful support of British Telecom.

BT already has a basic Internet service, to be developed as a new Internet service, to be called Springboard, which promises to deliver entertainment, information and education to the home.

BT already has a basic Internet access business and other related services, such as Wireplay, which allows people to play computer games with each other over the Net.

News International flirted with the Internet in the UK when its parent, News Corporation, bought

the American-owned Delphi Internet business in 1993, for \$12 million. But Delphi failed to take off and was sold back to its management earlier this year.

Springboard will draw on information from the Times, Sunday Times, Sun, News of the World and other papers owned by Mr Murdoch's media empire. The amount and type of information has yet to be decided. For example, no decision has yet been taken on whether page three of the Sun will be available.

News International stressed that the new service would be very "parent-friendly". A spokeswoman said it would offer the same sorts of parental controls over content as the BSkyB satellite TV service.

BT and News International will have equal stakes in the new venture.

Ed Ogoniek, BT's head of on-line content services, said: "We expect to be one of the top three service providers by the turn of the century."

Pru hopes to go one up on the big banks

Lisa Salgan

THE MAN from the Pru, no longer content with merely arranging life insurance, is repositioning himself as a door-to-door bank manager.

The Prudential, Britain's biggest life insurer, signalled its entry into the highly competitive world of retail banking yesterday, with a range of telephone and postal savings accounts and mortgages, backed up by personal visits.

The service, Prudential Banking, cost £70 million to set up, and will offer the company's six million customers a high interest deposit account and a 60-day notice account.

Both accounts, which pay interest on a daily basis, are promised to pay about one percentage point more than the average rate offered the ten largest banks and building societies.

The Pru is also bringing in mortgages which claim to remove the hidden charges and "strange" practices that have developed among traditional lenders.

Mike Harris, who was poached last year from Cable and Wireless to head the operation, said the new products were designed to expel the "intruders" hidden in mortgages, such as interest overcharging and piecemeal rate changes.

The Prudential pays out more than £1 billion a year in maturing policies, with 70 per cent of this money staying in building society accounts for as much as one year after it is paid. By offering a banking service, the company hopes to pump the cash back into its own business.

TOURIST RATES — BANK SELLS

Australia 1.9225	France 7.7650	Italy 2.325	Singapore 2.15
Austria 16.05	Germany 2.2825	Malta 0.5445	South Africa 6.6
Belgium 47.00	Greece 364.00	Netherlands 2.5825	Spain 182.00
Canada 2.0850	Hong Kong 11.78	New Zealand 2.1775	Sweden 10.08
Cyprus 0.6850	India 55.54	Norway 8.8675	Switzerland 1.8250
Denmark 8.8075	Ireland 0.9435	Portugal 233.50	Turkey 136.178
Finland 6.9975	Israel 4.04	Saudi Arabia 5.83	USA 1.5275

Supplied by NatWest Bank (excluding India, rupee and Israeli shekel)

Fund forecasts faster growth, but presses for more labour market reform. Alex Brummer reports

IMF gives boost to monetary union

The drive towards European monetary union will be eased by faster growth on the Continent this year and next, the International Monetary Fund forecast yesterday.

The Fund suggests that the current policy mix of tighter budgets, lower interest rates and the depreciation of European exchange rates against the dollar makes it more likely that monetary union will begin on time in 1999, without the risk of crisis on the financial markets.

Across the European Union the IMF forecasts low growth of 1.6 per cent this year, largely as a result of sluggish economies in Germany, France and Italy. However, with the pace of expansion now starting to pick-up, the Fund believes that Europe can achieve 2.5 per cent growth in 1997 and this will help to strengthen the world economy, with growth reaching 4.1 per cent — the best level for five years.

Among the reasons for the better global outlook is the reversal of the downturn in much of the former Soviet empire, with Russia finally expected to pull out of the tailspin prompted by economic reform.

The Fund believes that the improved growth now coming through will boost the chances of larger EU countries meeting the Maastricht criteria. But it still has grave concerns about the prospects for EMU after 1999 unless additional efforts are made to reduce the growth of public spending, reform labour markets so as to bring down unacceptably high levels of unemployment and to deregulate business.

On the budgetary front, the IMF applauds the efforts made in Dublin at the weekend to put in place a stability pact designed to keep downward pressure on budget deficits. But IMF chief economist Michael Mussa was adamant that over the medium-term Europe should not be satisfied with budget deficits at 3 per cent of gross domestic product — it should be aiming for near fiscal balance.

The Fund argues that "significant backsliding" on already announced efforts to control budget deficits would have "severe implications for interest rates and financial market confidence" and could "derail the EMU process". Among the Fund's greatest concerns in the labour market which it believes have contributed to "a dramatic upward trend in unemployment over the last 25 years". It urges Europe to begin adopting the radical labour market reforms seen in countries such as the UK and New Zealand in recent years as a means of achieving better growth, bringing down the

restraining rises in minimum wages. The US economy, under President Clinton, comes in for some rare praise from the IMF, which for much the last decade was a severe critic of US fiscal policy and its effects on interest rates around the

globe. It says that the US "has been particularly successful in recent years in achieving a high level of employment and maintaining growth at close to its potential rate with low inflation". The Fund's chief economist chose not to quarrel with the Federal Reserve's decision on Tuesday not to raise the federal funds rate — the US market interest rate — before the November elections. But there are plainly concerns ahead. With unemployment close to 5 per cent in the US, the American economy is seen to be in unsteady territory.

Concern is expressed that output growth is now threatening to exceed levels consistent with low inflation and the Fund believes that it may be necessary to raise interest

rates before too long, particularly risks will arise should the US growth rate start to pick up again towards the 5 per cent projected for 1996 and 2.5 per cent in 1997. The IMF believes that Japan has finally pulled itself out of the doldrums of the first half of the 1990s and should achieve strong growth of 3.5 per cent this year, the best performance among the G7 industrial countries. But the Japanese government may soon have to consider whether the current loose fiscal policies and low interest rates can be safely retained for much longer.

World Economic Outlook. Published by the International Monetary Fund, Washington DC, October 1996.

per cent of gross domestic product — it should be aiming for near fiscal balance. The Fund argues that "significant backsliding" on already announced efforts to control budget deficits would have "severe implications for interest rates and financial market confidence" and could "derail the EMU process". Among the Fund's greatest concerns in the labour market which it believes have contributed to "a dramatic upward trend in unemployment over the last 25 years". It urges Europe to begin adopting the radical labour market reforms seen in countries such as the UK and New Zealand in recent years as a means of achieving better growth, bringing down the

restraining rises in minimum wages. The US economy, under President Clinton, comes in for some rare praise from the IMF, which for much the last decade was a severe critic of US fiscal policy and its effects on interest rates around the

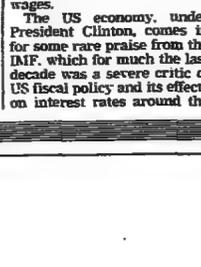
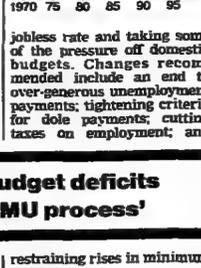
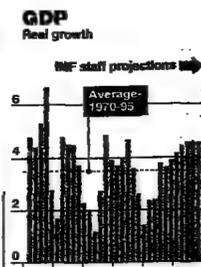
globe. It says that the US "has been particularly successful in recent years in achieving a high level of employment and maintaining growth at close to its potential rate with low inflation". The Fund's chief economist chose not to quarrel with the Federal Reserve's decision on Tuesday not to raise the federal funds rate — the US market interest rate — before the November elections. But there are plainly concerns ahead. With unemployment close to 5 per cent in the US, the American economy is seen to be in unsteady territory.

Concern is expressed that output growth is now threatening to exceed levels consistent with low inflation and the Fund believes that it may be necessary to raise interest

rates before too long, particularly risks will arise should the US growth rate start to pick up again towards the 5 per cent projected for 1996 and 2.5 per cent in 1997. The IMF believes that Japan has finally pulled itself out of the doldrums of the first half of the 1990s and should achieve strong growth of 3.5 per cent this year, the best performance among the G7 industrial countries. But the Japanese government may soon have to consider whether the current loose fiscal policies and low interest rates can be safely retained for much longer.

World Economic Outlook. Published by the International Monetary Fund, Washington DC, October 1996.

per cent of gross domestic product — it should be aiming for near fiscal balance. The Fund argues that "significant backsliding" on already announced efforts to control budget deficits would have "severe implications for interest rates and financial market confidence" and could "derail the EMU process". Among the Fund's greatest concerns in the labour market which it believes have contributed to "a dramatic upward trend in unemployment over the last 25 years". It urges Europe to begin adopting the radical labour market reforms seen in countries such as the UK and New Zealand in recent years as a means of achieving better growth, bringing down the



'Backsliding on budget deficits could derail the EMU process'

upward trend in unemployment over the last 25 years". It urges Europe to begin adopting the radical labour market reforms seen in countries such as the UK and New Zealand in recent years as a means of achieving better growth, bringing down the

restraining rises in minimum wages. The US economy, under President Clinton, comes in for some rare praise from the IMF, which for much the last decade was a severe critic of US fiscal policy and its effects on interest rates around the

restraining rises in minimum wages. The US economy, under President Clinton, comes in for some rare praise from the IMF, which for much the last decade was a severe critic of US fiscal policy and its effects on interest rates around the

globe. It says that the US "has been particularly successful in recent years in achieving a high level of employment and maintaining growth at close to its potential rate with low inflation". The Fund's chief economist chose not to quarrel with the Federal Reserve's decision on Tuesday not to raise the federal funds rate — the US market interest rate — before the November elections. But there are plainly concerns ahead. With unemployment close to 5 per cent in the US, the American economy is seen to be in unsteady territory.

Concern is expressed that output growth is now threatening to exceed levels consistent with low inflation and the Fund believes that it may be necessary to raise interest

rates before too long, particularly risks will arise should the US growth rate start to pick up again towards the 5 per cent projected for 1996 and 2.5 per cent in 1997. The IMF believes that Japan has finally pulled itself out of the doldrums of the first half of the 1990s and should achieve strong growth of 3.5 per cent this year, the best performance among the G7 industrial countries. But the Japanese government may soon have to consider whether the current loose fiscal policies and low interest rates can be safely retained for much longer.

World Economic Outlook. Published by the International Monetary Fund, Washington DC, October 1996.

per cent of gross domestic product — it should be aiming for near fiscal balance. The Fund argues that "significant backsliding" on already announced efforts to control budget deficits would have "severe implications for interest rates and financial market confidence" and could "derail the EMU process". Among the Fund's greatest concerns in the labour market which it believes have contributed to "a dramatic upward trend in unemployment over the last 25 years". It urges Europe to begin adopting the radical labour market reforms seen in countries such as the UK and New Zealand in recent years as a means of achieving better growth, bringing down the

CBI opposes Budget giveaway

Larry Elliott Economics Editor

THE Confederation of British Industry yesterday told the Chancellor to rule out a giveaway pre-election Budget in November and urged the Government to concentrate on cutting state borrowing.

Calling for a "prudent" package, the employers' organisation said Kenneth Clarke should spurn the demands of his backbenchers for voter-friendly measures.

Adair Turner, the CBI's director-general, said the main priority for Mr Clarke was to keep the economy on a course for steady growth. "If that means a boring Budget, we wouldn't object to that."

A shortfall in tax revenues has meant that the improvement in the public finances has been far slower than the Treasury expected and the CBI expressed concern yesterday that with no action in the Budget the public sector borrowing requirement in 1997-98 could be almost £28 billion.

Mr Turner said the state of the public finances was the one negative part of an otherwise rosy economic picture. On public spending, the CBI argued for a £5.3 billion cut in the control total, of which £3.3 billion would be savings made because inflation has been lower than expected.

In addition, industry leaders would like Mr Clarke to reduce the corporation tax rate from 33 per cent to 30 per cent, which would save £2 billion a year. The CBI's economic committee, said the CBI was looking for a cautious Budget. "Radical action is not needed to support competitiveness and economic growth — what is needed above all is continuity of the more stable economic conditions we have achieved over the past four years."

Over the longer term, the CBI is urging a full review of capital gains tax, including the option of taxing longer-term gains at a lower rate, a proposal that has echoes of the Labour party's call for two-tier capital gains tax. It also stressed the desirability, when affordable, of allowing 100 per cent first-year capital allowances on the first £300,000 of capital expenditure to boost investment.

Mr Clarke's chairman of Barclays Bank and head of the CBI's economic committee, said the CBI was looking for a cautious Budget. "Radical action is not needed to support competitiveness and economic growth — what is needed above all is continuity of the more stable economic conditions we have achieved over the past four years."

Although the £2 billion from the contingency reserve would be enough to cut the basic rate of income tax by a penny in the pound to 23 pence, the CBI said tax cuts should be limited to a maximum of £1 billion. It added that any cuts should be directed towards higher personal allowances to take more people out of tax completely, rather than lowering the basic rate. This will help address the disincentive effect presently created by the combined impact of tax and benefit withdrawal," it said.

The CBI acknowledged that the scope for reductions in business taxation was also limited, but proposed measures costing a total of £400 million aimed at helping small and medium-sized enterprises. These included extending the Enterprise Investment Scheme, allowing more companies to pay the lower rate of corporation tax, making the raising of equity finance tax deductible and giving tax breaks for research and development.

Over the longer term, the CBI is urging a full review of capital gains tax, including the option of taxing longer-term gains at a lower rate, a proposal that has echoes of the Labour party's call for two-tier capital gains tax. It also stressed the desirability, when affordable, of allowing 100 per cent first-year capital allowances on the first £300,000 of capital expenditure to boost investment.

Mr Clarke's chairman of Barclays Bank and head of the CBI's economic committee, said the CBI was looking for a cautious Budget. "Radical action is not needed to support competitiveness and economic growth — what is needed above all is continuity of the more stable economic conditions we have achieved over the past four years."

Barratt makes plans to build on house-price recovery hopes

BARRATT Developments, one of the UK's largest housebuilders, yesterday predicted that house prices would rise on average by about 4 per cent over the next 12 months, writes Pauline Sprague.

Sir Lawrie Barratt, the company's founder and chairman, said the housing market continued to be most buoyant in the southern region. House price rises had been around the 5 per cent level over the past year, but were now levelling off, he said.

Sir Lawrie was speaking at Barratt, which has a 5 per cent market share, unveiled a 10.6 per cent rise in pre-tax profits for the year to the end of June. He said that it had been a difficult year, although by no means as tough as some rival housebuilders had claimed.

The strength of the market, particularly in the South-east, is enabling Barratt to cut the discounts it offers to housebuyers. However, it is still operating its part-exchange service, through which it made 4,000 of its 7,023 sales during the year. This scheme costs the company about £2,500 per house and the average Barratt house costs £83,900.



Home news... Barratt chairman, Sir Lawrie Barratt (right), with chief executive Frank Eaton, says house prices rose 5pc this year. PHOTOGRAPH: GARRY WEAVER

Greenpeace woos business

ROGER COWE

A ground-breaking business conference in London yesterday, environment group Greenpeace called on companies to step into the void left by politicians and take a lead in developing solutions to environmental problems.

Greenpeace executive director Peter Melchett said the organisation wanted to work with business to develop alternatives to damaging fossil fuels, chlorine-based chemicals and plastics.

ing mainstream because they are suppressed... held back by specific vested interests in business and politics and starved of interest and investment," he told an audience of executives from more than 70 leading companies.

Opening the conference on the role of business in the wake of the Brent Spar affair two years ago, consultant John Elkington said Shell's defeat over sinking the redundant oil platform had changed the thinking in Britain's boardrooms on environmental issues.

Companies had begun to realise they could not rely solely on scientific analysis and agreements with governments and that environmental

issues were part of a broader ethical arena. "Brent Spar marked the watershed in business thinking. Successful companies of the future will have to work out ways of engaging even groups like Greenpeace in the evolution of their environmental strategies."

GrandMet offloads £140m optician

LEA BUCKINGHAM

GRAND Metropolitan, the food and drink company, yesterday ended one of its less happy business associations with the sale of Pearle, the optician, for £140 million.

GrandMet has sold the US-based operation to Cole National Corporation, an American optician, for a price which was at the upper end of market expectations. Shares rose 5p to 476p as a result.

ing that the business should be turned into a profit maker before buyers were sought. Pearle, which has a network of more than 870 outlets in North America, the Caribbean and Europe, had sales of £238 million in the year to last September on which it made £10 million operating profit.

According to GrandMet, which acquired Pearle in 1985, the assets included in the deal total £150 million, of which 594 million is regarded as the value of the Pearle brand name. The value does not include £265 million of goodwill which will be written off.

was on the market, comes just two weeks after the group sold its Erasco food business in Germany to America's Campbell Soup corporation for £140 million.

The British group is expected to raise up to £180 million from the sale of under-performing European foods operations such as Brassard which have dragged down the results of GrandMet.

Underside

DAN ATKINSON

THE Chancellor is either chronically gaffe-prone or has been treated with that powerful truth drug featured in one particularly amusing Tintin adventure. On top of his explosive confessions of full-blown Europhilia, Three Pints was recently at lunch with a crew of small-business types. What, he was asked, were the dangers facing the economy?

what I might have to do to prevent one."

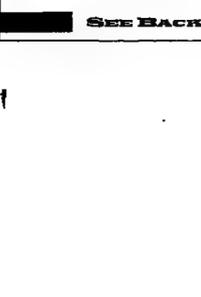
SOCIALIST peer Lord Hollick's Daily Express is busy educating its readers into the realities of life under the baron's favourite political party. An item on September 20 headed: "Chance for directors in Labour tax regime" puts a seminar by solicitors Clifford Chance this week in which lawyers will suggest "it might be worthwhile for directors to speed up their bonus plans to help avoid paying income tax". The article says: "Certainly it is not the intention of Clifford Chance to advise the better-off on how to avoid paying extra

if there is a Labour government." Perish the thought.

MILTON Friedman — for whom there was famously no such thing as a free lunch — was wrong. Hays Accountancy Personnel's survey today lists the "small, inexpensive perks" that can make the difference between a happy workforce and a mutinous crew. These perks are costed — staff benefit tin (£2.50), birthday cake (£12), subsidised drinks cabinet (£50 a month; optimistic, we would have thought). And then there is "leave early on Friday", a day off for Christmas shopping and another for birthdays. All, according to Hays, are free! Of course, time off is not actually cost-free; perhaps Hays means it is free for the company, in that the remaining employees will have to work harder. Give us a Gradgrind over a Hays-approved gunner any day.

Thing in the cement pond that "adorns" the frontage of the CBI skyscraper. Observed from its 10th-floor eyrie, the pond is usually an insipid blue (like the CBI). Yesterday, hours after some irresponsible Person poured detergent in the water, the CBI's lagoon was foaming horribly. Sad to say, the Thing failed to rise up and devour the CBI's Budget proposals.

It's official: after last week's staying of further criminal proceedings, the sole culprit of the £425 million Maxwell pension scandal can be named — Charles Nissen. Who he? A right villain, that's who. Well, to be fair, he may never have actually met Robert Maxwell, and his CV — Pember & Boyle, the Stock Exchange Council — looks blameless enough. But, in June 1992, Mr Nissen resigned as chairman of the regulator IMRO, which had taken heavy flak over the Maxwell affair. He defended his staff and stood down on the grounds that someone had to do the right thing. Someone did — Mr Nissen. No one else, of course.



"Mrs Gunn attacked her parsimonious husband with an egg whisk after an argument over how much sugar she had put in her coffee. She used 53 grains instead of 45."

YOB culture has claimed another victim — the CBI. Yesterday's unveiling of the bosses' Budget proposals (an austere package, no doubt to sack up to Labour) at Centre Point was marred by a Quatermass-style

easyJet

Amsterdam

Smart Class
not Club Class
£35
easyJet

مكتباتنا العامة

BI oppose budget giveaway

The Guardian Thursday September 26 1996

Rugby League PNG President's XIII Great Britain 34

Powell makes Test case

Andy Wilson
in Mount Hagen

WITH five minutes of Great Britain's opening tour game gone and 10 points on the scoreboard, the 12 players experiencing rugby league in Papua New Guinea for the first time must have been wondering what all the fuss was about.

They had been led to expect tough opposition and a packed, hostile crowd; instead Keith Senior and David Bradbury, both international debutants, had run in simple tries to polite applause from less than 1,000 locals in the ramshackle stadium here.

Three hours later, however, the youngsters were mightily relieved not only to have come away with an impressive win against aggressive and skilful opponents but also to have made the flight back to Lae. They were grateful, too, for the calming influence of their captain Daryl Powell, the only one of Britain's 17-man squad who had played in PNG before.

The crowd built up considerably as the President's XIII made the Lions fight for every point, especially after the gates were thrown open and the six-kina admission charge was waived shortly after half-time to prevent any trouble outside the ground. A predictable but good-natured pitch invasion at full time was repelled by several police with fierce looking dogs who protected the British squad until they were whisked to the bus, a nearby hotel to shower and then to the plane.

It was uneventful stuff compared to last Sunday's domestic fixture in Lae, which was abandoned after 60 minutes because of a riot which claimed four lives, but it was still enough to have the Castleford half-back Tony Smith "wondering if we would get out of there alive".

It did not worry Powell. The 31-year-old, who was recently appointed Keighley player/coach in succession to Phil Larder, came on tour only as a late replacement for the injured Paul Newlove; his performance, initially at stand-off but for more than half the game as a remarkably influential right-wing, must put him in line for a 29th Test cap.

Larder was full of praise for Powell. "I have always been a big Daryl fan," Great Britain's coach said. "He has been superb all week, especially with the younger players. He is a born leader and he will be a bloody good coach."

Bradbury's try was simple enough, taking a clever pass from the St Helens loose forward Karl Hammond, but it was his fierce defence which marked him out as another contender for Saturday's Test team.



Gripping encounter... Barrie-Jon Mather holds firm under pressure during Great Britain's opening tour game in Papua New Guinea. VICTORIA MATTHEWS

clever pass from the St Helens loose forward Karl Hammond, but it was his fierce defence which marked him out as another contender for Saturday's Test team.

Larder was full of praise for Powell. "I have always been a big Daryl fan," Great Britain's coach said. "He has been superb all week, especially with the younger players. He is a born leader and he will be a bloody good coach."

Bradbury's try was simple enough, taking a clever pass from the St Helens loose forward Karl Hammond, but it was his fierce defence which marked him out as another contender for Saturday's Test team.

Larder was full of praise for Powell. "I have always been a big Daryl fan," Great Britain's coach said. "He has been superb all week, especially with the younger players. He is a born leader and he will be a bloody good coach."

Bradbury's try was simple enough, taking a clever pass from the St Helens loose forward Karl Hammond, but it was his fierce defence which marked him out as another contender for Saturday's Test team.

SPORTS NEWS 13

Racing Bahhare off to Dubai for the winter warmth

Chris Hawkins

BAHHARE, the 5-1 favourite for the 2,000 Guineas, will spend the winter in Dubai before coming back to John Dunlop's stable next spring.

Handan Al-Maktoum, the colt's owner, has decided to follow the highly successful policy of his brother Sheikh Mohammed in taking horses to the Gulf, although the crucial difference is that they will not race under the Godolphin banner with Saeed bin Suuroo when returned to Britain.

Several Dunlop two-year-olds will be leaving in two or three weeks' time, including the highly rated Sam and Shawaf, while the Dick Hern-trained Sarayir, a half-sister to Nashwan, is likely to join them after running in Sunday's Filling Mile at Ascot.

"The plan is to take a number of the better two-year-olds to benefit from the climate," said Angus Gold, racing manager to Handan Al-Maktoum. "But as yet there is no final list."

Handan has 240 horses in training in this country, of which 110 are two-year-olds. Dunlop expects to make the occasional trip to Dubai to see how things are going, but the horses will be under the daily supervision of his assistant Gerard Butler.

Perth (N.H.)

Table listing race results for Perth (N.H.), including race numbers, names of horses, and their finishing positions.

Goodwood with form for the Jackpot races

Table listing race results for Goodwood, including race numbers, names of horses, and their finishing positions.

Pontefract

Table listing race results for Pontefract, including race numbers, names of horses, and their finishing positions.

Results

Table listing race results for various tracks, including Goodwood, Perth, and Pontefract, with race numbers, names of horses, and their finishing positions.

Carson's progress

Doctors monitoring the injuries Willie Carson received when kicked by Meshed at Newbury last Friday report his condition "unchanged" and have kept him in intensive care for another night.

RACELINE logo with phone number 0930 168-8 and website information.

Vertical text on the left margin, including "in brief", "ent fends off", "mer chief", and "ulsion is off".

EUROPEAN SOCCER



Left Wright... the Arsenal striker makes no mistake with his less-favoured foot to bring the Gunners level at 1-1 on half-time last night

Uefa Cup, first round, second leg: Borussia Moenchengladbach 3, Arsenal 2 (agg: 6-4)

Battling Arsenal learn home truths

Martin Thorpe in Cologne

ARSENE WENGER'S first match in charge of Arsenal ended with his first defeat yesterday but his new team came a glorious second here. For all Arsenal's spirit and fight, they could not match Borussia's slick attacks and clinical finishing which exuded a ruthlessness that Wenger will view as a priority to inject into his new side.

then pouncing on the break. "We came to have a go," said Wenger's No. 2, Pat Rice. "In the end we were disappointed." Ultimately that 3-2 defeat at home in the first leg proved too much. In the tradition of much of Arsenal's season they had to go behind last night before showing their best. But they came back impressively and drew 2-1 ahead on the night needing only one more goal to pull off a remarkable victory.

have pulled this tie out of the bag. In the first 20 minutes Hartson and Wright worked clear chances but, despite taking aim, both hit their shots straight at the goalkeeper. Though the Germans had been active at the other end, with Seaman having to block shots from Pettersson and Juskowiak, it was just when Arsenal were applying sustained pressure as they tried to bludgeon their way through that Borussia scored with a rapier thrust.

But, as Arsenal pushed for the winner, the Germans were often allowed to break into the sort of striking positions that they know how to exploit. At first the swift ones that unlocked the back line came to nothing. Juskowiak shooting wide, then miscueing his lunge at a cross. With 19 minutes left Effenberg hit a post but three minutes later he made no mistake. Hochstatter's great run on the ball finding Juskowiak free on the left of the area. The Pole served up the ball on a plate for his captain to equalise.

But, as Arsenal pushed for the winner, the Germans were often allowed to break into the sort of striking positions that they know how to exploit. At first the swift ones that unlocked the back line came to nothing. Juskowiak shooting wide, then miscueing his lunge at a cross. With 19 minutes left Effenberg hit a post but three minutes later he made no mistake. Hochstatter's great run on the ball finding Juskowiak free on the left of the area. The Pole served up the ball on a plate for his captain to equalise.

There were simply too many Germans back for any sort of shot to get through. In injury time Borussia broke away again. Wymbhoff surging down the left and pulling the ball back for the unmarked Juskowiak to score his second goal of the night. It was a disappointing end to a brave performance. Wenger immediately left for the airport to fly back to Japan but will have been encouraged by what he saw — and perhaps concerned at what he did not.

Atkinson and Strachan face second FA charge

THE Coventry City manager Ron Atkinson and his assistant Gordon Strachan were charged with bringing the game into disrepute by the referee or linesman and Frank Leboeuf went on to score the first goal in a 2-0 win. The pair were seen on television arguing with the officials after a contentious goal for Chelsea during the match at Stamford Bridge in August. A handball by Dan Petrescu from a throw out by the Coventry goalkeeper Steve Griozovic was not acknowledged by the referee or linesman and Frank Leboeuf went on to score the first goal in a 2-0 win.

Hodde wants many happy returns

David Lacey on typical selection problems for England's new coach WITH only one match gone Glenn Hodde, England's new coach, is having to fill in the cracks. At least he should have a more regular supply of bricks and mortar for the World Cup qualifier against Poland at Wembley on Wednesday week. Compared to the situation Hoddle faced for his first game in Moldova at the start of the month, the squad he announces today should be more notable for familiar faces than absent friends. He has lost Steve Stone, out for the season at Nottingham Forest, and Tottenham's Teddy Sheringham, and another Spurs

Thorn picked up by Rovers

TRANMERE ROVERS last night signed the former Wimbledon defender Andy Thorn on a two-year contract. Rovers' player-manager John Aldridge brought in the 29-year-old as cover for John McGreal who is expected to be out for three months after undergoing ankle surgery. Thorn, who will make his debut at Norwich on Saturday, has recently finished a month's contract with Hearts. Leicester City are still trying to bring Jesper Blomqvist to Filbert Street. The manager Martin O'Neill has watched the Gothenburg striker twice but his chances of signing Blomqvist looked bleak when the player was told he had to see out his contract with the Swedish champions. But the 21-year-old Swede becomes a free agent in December.

Scots try to pull plug on BBC

THE SCOTTISH football authorities will try to stop the BBC broadcasting live Scotland's World Cup qualifying match against Latvia in Riga on October 5. Although the game kicks off at 8pm British time, the Scottish FA and Scottish League both believe coverage would conflict with the full programme of matches in the Scottish First, Second and Third Divisions which is scheduled to start an hour later. The SFA is insisting that under Uefa rules there should be no live transmission of matches on a Saturday afternoon between 1pm and 6pm. It says it has had no request to screen the Latvia match live and would block any attempt to do so.

Robson loosens grip on Nadal

JUSTIN WEBSTER in Barcelona YESTERDAY'S Spanish press reported that United had raised their offer from £2.4 million to £3.5 million and claimed the deal would go through by the weekend. At Barcelona's Robson is developing a system very different from the one used by his predecessor Johan Cruyff and his priority is to a midfielder to play alongside Josep Guardiola, a 22-year-old player who has been filled by Gica Popescu. But after spending £20 million on the striker Ronaldo, Barcelona are thought to be in the business of raising money to sign that midfielder. Nadal has made it clear that he wants to join United. "It was up to me it would all be sold very quickly," he said. "If Nadal plays in Laraca tonight he would be captivated for this season's European competitions."

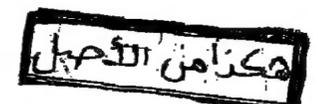
Table with 2 columns: Results and Fixtures. Results include Borussia Moenchengladbach 3 Arsenal 2, Borussia Dortmund 2 Arsenal 1, Borussia Dortmund 2 Arsenal 1. Fixtures include Borussia Dortmund vs Arsenal, Borussia Dortmund vs Arsenal.

Table with 2 columns: Results and Fixtures. Results include Borussia Dortmund 2 Arsenal 1, Borussia Dortmund 2 Arsenal 1. Fixtures include Borussia Dortmund vs Arsenal, Borussia Dortmund vs Arsenal.

Table with 2 columns: Results and Fixtures. Results include Borussia Dortmund 2 Arsenal 1, Borussia Dortmund 2 Arsenal 1. Fixtures include Borussia Dortmund vs Arsenal, Borussia Dortmund vs Arsenal.

Table with 2 columns: Results and Fixtures. Results include Borussia Dortmund 2 Arsenal 1, Borussia Dortmund 2 Arsenal 1. Fixtures include Borussia Dortmund vs Arsenal, Borussia Dortmund vs Arsenal.

Anfield awaits big fry... Ferguson out November... Sullivan's light...



Soccer

Anfield awaits big fry

Ian Ross

IT WOULD take a brave man to forecast Liverpool becoming part of the seemingly popular British trend of teams slipping out of Europe, and perhaps an even braver one to predict that it will happen at Anfield tonight.

The days when the arrival on Merseyside of a team of relative no-hopers was met with genuine fascination by the fans have long gone. A combination of financial reality and minor-fatigue now makes for rather unappealing ties against all but the cream of Europe.

As a result MyPa-47's night on the big stage of Anfield will almost certainly be played out against a backdrop of empty seats and yawning stewards.

The part-timers are simply happy to be in Liverpool, which would suggest that they will readily concur with the idea that their Cup Winners' Cup adventure was effectively ended amid the fir trees of southern Finland a fortnight ago when a solitary Steg Bjornbye goal earned Liverpool a 1-0 first-leg victory.

"We are just thrilled to be playing at such a famous stadium," said John Allen, MyPa's Chester-born striker. "Liverpool were brilliant in the first game. I don't think they stepped up into top gear even once."

"We all laughed when we heard they had crushed Chelsea at the weekend. If they can stuff a team worth millions, what are they going to do to us?"

Struggle, if last season's dismal 1-0 home defeat by Brondby in the second round of the UEFA Cup is any barometer.

Liverpool's manager Roy Evans delivered a predictable line in cautious optimism, warning against the danger of complacency while talking enthusiastically about jobs that need to be finished.

"The simple truth is there are no mugs left in Europe," he said. "They are all so well organised these days, not so much organised to beat you but organised to stop you beating them."

Evans is likely to resist the temptation to alter the composition of a side that has yet to lose this season, although his hand will be forced if Dominic Matteo fails to recover from a knee injury.

"Yes, I could make changes but I tend to go along with the old theory that suggests if it isn't broken it doesn't need mending," said Evans.

"It is not as if we are streets ahead; we got a reasonable result in Finland but they aren't going to come here and make it easy for us. We must have the right attitude, as if we were playing against a really top team."

Olympic Games

John Duncan on a BOA document revealing financial rewards up to £20,000 for successful competitors in Sydney and Nagano

British athletes to get cash for medal wins

BRITISH athletes will be paid cash for medals in Sydney as a response to their poor showing in Atlanta, according to a British Olympic Association document released yesterday.

The document, a previously internal paper entitled "The BOA's Athlete Performance Strategy to 2000", outlines a 12-point plan which will be adopted for the next four years.

Point 11 details the unprecedented move to reward medals: "Appropriate financial rewards to be offered for all medalists in Sydney and Nagano, eg gold medal - £20,000."

This would be the first time such a scheme had operated for British athletes and comes out of an informal consultation with athletes, coaches and administrators during the 1996 Olympics.

However, the British reward is less generous than that of France, who enjoyed a very successful Games with 16 gold medals to Britain's one. Their scale starts at £30,000 for gold, £20,000 for silver and £15,000 for bronze.

Other elements of the plan include "lifestyle support for agreed athletes during the Olympic cycle". This is aimed at avoiding the embarrassing situation of athletes struggling to make ends meet: Paul Palmer, the swimming silver medalist in the 400 metres freestyle, funded himself by working in an Italian restaurant.

There will also be a move towards offering cash to governing bodies related to achievement.

The BOA is only a third of the way through a more in-depth briefing of governing bodies and only six of the 21 relevant team man-

agers have discussed the lessons of Atlanta with the association. Each briefing lasts half a day.

The only disappointing thing for me," said Kevin Hickey, the BOA technical director, "is that the Germans have conducted a review of Atlanta and put in a programme to deal with their problems in the space of four weeks but, because of the number of coordinating bodies here,

that is very difficult for us." The BOA briefing is likely to end by November.

Dick Palmer, the BOA general secretary, reiterated his belief that one of the reasons for the Atlanta performance was money. "I believe we have fine reservoirs of pretty good young talent in this country," he said, "and their medal chances would be improved if they were better resourced, if they didn't have

to worry about their sole money or whether they would get a training grant every 12 months."

Palmer also suggested that British success in Atlanta had been underplayed. "The British delegation was the smallest since Moscow in 1980, 24 per cent smaller than Barcelona, and the number of countries participating was 17 per cent higher than 1992," he said.



Back in step... the England squad, with Mike Catt to the fore, jump to it at Bisham Abbey

Rugby Union

Letter fails to heal rift

Paul Morgan

PETER WHEELER, one of the leading members of the English Professional Rugby Union Clubs, last night revealed that Tony Hallett's secret letter to Epruc had not broken the deadlock between the clubs and Twickenham.

Yesterday The Guardian revealed that the Rugby Football Union secretary had written to Epruc, which represents England's top clubs, offering them an attractive financial package to stay within the RFU. Part of the package was 10 per cent of gate revenue from Twickenham internationals for the clubs.

However, Epruc feels that Hallett's offer is still to be sanctioned by the RFU, and they fear it does not have the backing of the union's executive committee.

Wheeler, chief executive of Leicester, said: "Vitality it came directly from Hallett and didn't have the authority of the RFU, which I imagine left Cliff Brittle [chairman of the executive committee] very upset."

"The letter itself shows a change in attitude but the fact that it came from Hallett alone takes the sparkle off it. We have contingency plans to break away and to stay - it is not too late to stop us going."

Epruc is now demanding that the clubs join together in a negotiating team that can make instant decisions.

Wheeler added: "The issues aren't just about money; it is also about control. Of course we want the RFU to talk to us but we want to be heard in a direct, authoritative, although the letter does show some progress."

New crisis at the Welfare Ground

Newbridge strike threat

David Plummer

NEWBRIDGE, who are bottom of the Welsh First Division, yesterday lost their entire coaching staff and face having to call off their match against Newport on Saturday because of a threatened players' strike over alleged non-payment of wages.

Newbridge's coaching director Roger Powell has resigned after the club's poor start to the season. They won their opening game against Treorchy but then lost the next five, the last three by overwhelming margins which saw them concede 203 points and 29 tries.

His coaching staff of three - Keith James, Mike Gray and Gary Lewis - followed him, along with the fitness adviser Alan Rockcliffe, after a meeting with the club's committee. Two players, Nigel Meek and Leighton Phillips, have been put in temporary charge.

They could have to wait for their first game because it is understood that the Newbridge squad is holding a meeting tonight to discuss what action to take over what they say has been a non-payment of wages by the club.

Newbridge, who lost virtually a whole team during the summer, are currently embroiled in a dispute with Pontypridd over the fly-half Jason Strange, who has put in for a transfer. Strange's contention is that he is a free agent because, he claims, his contract was not honoured by Newbridge, but the Gwent club is demanding a £20,000 transfer fee from Pontypridd.

The matter has been referred to the Welsh Rugby Union. Orrell are prepared to take their wrangle with Llanelli over the former All Black Franco Botica to the courts. Both clubs are claiming rights to the player, who originally agreed to play rugby league for Castleford in the summer Super League and union with Orrell for the next two winters.

Now Orrell have placed the matter in the hands of their solicitor, Orrell's spokesman Geoff Lightfoot said: "If they get away with this, it will create a precedent that will be very damaging to the game as a whole."

Tony Daly, the prop who scored the winning try against England in the 1991 World Cup final, will make his debut for Saracens against London Irish on Saturday. Five uncapped forwards are included.

Australia arrive in Italy on October 15 at the start of a tour which also includes Tests against Ireland, Scotland and Wales. Australia are still hoping to include a Test against England, too.

The uncapped players are Andrew Blades, Mark Connor, David Giffin, Tourai Kefu and Brett Robinson.

NEWBRIDGE: J. Eales (capt), A. Blades, M. Eral, M. Burns, D. Caspary, M. Casper, M. Conner, M. Foster, D. Giffin, G. Morgan, R. Harvey, A. Nash, D. Powell, T. Moran, P. Rowland, J. Kefu, R. Jones, S. Lewis, S. Liffie, D. Mays, G. Morgan, S. Payne, S. Robinson, J. Reil, R. Taylor, J. Tans, J. Wallace, J. Welborn, D. Wilson.

TOUR ITINERARY: October 18, v Italy A. Catania, Sicily; 22, v Italy, Padova; 25, v Scotland A. Glasgow; November 2, v Combined Scottish Districts, Old Anniesland, Glasgow; 8, v Scotland, Dundee; 15, v Scotland, Murrayfield; 15, v Connacht, Galway; 16, v Ulster, Ravenhill, Belfast; 19, v Lansdowne Road, (provisional); 23, v Wales, Principality Stadium, Cardiff; 26, v New Zealand, Thomond Park, Limerick; December 1, v Wales, Cardiff Arms Park; 7, v Barbarians, Twickenham.

Ferguson out to November

FERGUSON'S problems worsened when they learned that their Scottish striker Duncan Ferguson is likely to be out for the next six weeks after a cartilage operation, writes Ian Ross.

Ferguson will miss Scotland's World Cup qualifiers in Latvia and Estonia on October 5 and 9, and probably the home one against Sweden on November 10.

The Everton manager Joe Royle took the unusual step yesterday of making a public apology for his team's performance on Tuesday in the Coca-Cola Cup defeat by York City. "I would apologise for our current form but I would also ask our supporters to show patience," he said.

Graeme Seaman has stepped up his largely fruitless quest to sign new players. The Southampton manager has offered £1.3 million for Andre Flo - younger brother of Jostein - to the Norwegian First Division side SK Brann and £700,000 for Egil Oestestad of Norway's Viking Stavanger.

Boxing

Lewis in line for capital title fight

LENNOX LEWIS is expected to meet Oliver McCull for the WBC heavyweight championship at the London Arena on November 22, more than two years after losing the same title to the American inside two rounds at Wembley.

Lewis's manager Frank Maloney yesterday flew to Mexico to bid for the match after the WBC called for purse offers for the meeting between its top two challengers. The moves follow the WBA champion Mike Tyson's decision to relinquish the WBC version rather than face Lewis as the two are signed to rival TV channels in the US.

However, the American promoter Don King will also bid in the hope of staging the match in Las Vegas on the bill with Tyson's WBA title de-

fence against Evander Holyfield on November 9.

If Lewis takes the title, Maloney believes a meeting with Tyson could be in the offing. "Mike Tyson wants to take some easier routes," he said. "One is Evander Holyfield, the second one is Michael Moorer [the IBF champion]. But maybe after that he'll realise that the public want to see him in a real fight and then he'll take on Lennox Lewis, as long as Lennox stays undefeated."

Tonga's Olympic super-heavyweight silver medalist Paea Wolfgramm has turned professional and is scheduled for a first fight, under the temporary guidance of Rick Gow's trainer Eddie Futch, on December 3 in Los Angeles. His opponent has yet to be named.

Golf

Lehman enjoys the Open road beyond dull care

David Davies hears how success at Lytham banished a nightmare and gave the American, right, belief in himself



TOM LEHMAN'S abiding nightmare, before he won the Open Championship in July, was that his tombstone would read: "He couldn't win the big ones." Now that horror has been vanquished by the emphatic manner of his victory at Royal Lytham St Annes, Lehman no longer dreams bad dreams.

He and his wife were once down to their last \$4,000 but gambled the lot on going to South Africa, where Lehman finished third in that country's Open and won \$26,000.

But he believes the breakthrough on the US Tour came in the spring of 1994, at the August National Golf Club where he led the US Masters going into the final round.

"I'd never led a tournament on the Tour before, let alone a major, and all I could think before the start was 'Am I going to get sick all over myself?' Will I embarrass myself in front of 30 million people? But I handled the pressure well enough to be confident about the next time."

He nearly won that time but on the 15th Jose-Maria Olazabal holed from 30-40 feet for an eagle. "You know," says Lehman, "there are days when you know you are going to hole a putt, days when the hole is as big as a bucket, and that is how I felt about my putt on that hole." The American had a 15-footer for an eagle. "I knew it was going in. The crowd had gone mad when Olazabal holed his and all I could think about was the noise they were going to make when I holed mine."

But he missed it and collapsed to the ground in disbelief and disappointment. He would have to wait two more years for his first major win.

Sport in brief

Tour leader Zülle runs into trouble

ALEX ZÜLLE, the Tour of Spain leader, and his ONCE teammates have been hit by a stomach upset that threatens to leave the event wide open with four days left to race. Despite their problems Zülle and his second-placed team-mate Laurent Jalabert held on to their positions in the overall classification after yesterday's 18th stage, from Cerler to Zaragoza, which was won by the Russian Dmitry Konyshov. Zülle leads Jalabert by 1min 10sec, with the third-placed Laurent Dufaux more than four minutes further back.

ONCE team officials have acknowledged the existence of a problem but said they had neither analysed it nor found its cause. Other teams are preparing to challenge ONCE's grip over the overall standings in today's and tomorrow's final mountain stages. "We'll test Zülle early in Thursday's stage," said Miguel Moreno, manager of Dufaux's Lotus team.

Warne to miss India tour

Warne to miss India tour

SHANE WARNE has been forced out of Australia's tour to India, while the captain Mark Taylor confirmed that he will lead the side. The leg-spinner's recovery has been slower than expected after surgery on a finger on his bowling hand.

Warne has been replaced by South Australia's Peter McIntyre in the 14-man squad, which will play one Test against India as well as a one-day series on the six-week tour. The Australians fly out next Tuesday. Warne was ruled out after bowling in three one-day practice matches with the Victoria team in Darwin this week. "I'm disappointed," he said. "At this stage I'm not confident with the way it's going; it's not 100 per cent."

India's manager Sandeep Patil has been sacked and replaced by the former Test all-rounder Madan Lal. Patil took over after India's semi-final defeat by Sri Lanka in this year's World Cup but India lost the summer's three-match Test series 1-0 against England and fared modestly in three one-day tournaments in Singapore, Sharjah and Toronto.

Unhurt Lamy wrecks Minardi

PEDRO LAMY, the Portuguese Formula One driver, escaped unhurt when he crashed and wrecked his Minardi-Ford while testing at Estoril. Lamy lost control of his car and slammed into the rails at a bend. Further testing at the circuit was halted until the rails were repaired.

Law sailing towards semis

With only four races of the double round-robin to come in the World Championship of Match Racing at Dubrovnik, Britain's Chris Law is well on the way to a place in the knock-out semi-finals, writes Bob Fisher. He has scored eight wins and six defeats and is in fourth place of the 10 selected skippers. He opened the day by losing to the defending champion Ed Baird of the United States but came back strongly in the next race to defeat the Dutch Olympic bronze medalist Roy Heiner. Law completed the day's racing by beating Bertrand Pace of France, the 1994 world champion.

Snooker

O'Sullivan's lighter touch masters Morgan

Chris Everton in Motherwell

RONNIE O'SULLIVAN rose early, ran five miles, practised after a mussels breakfast and yesterday afternoon beat the Welsh No. 1 Darren Morgan 5-3 to reach the quarter-finals of the Regal Scottish Masters at the Civil Centre here.

He led throughout and completed victory with a break of 104, the 102nd century of his professional career.

Having sweated out more than three stones in the gym during the summer, the 20-year-old O'Sullivan is not the troubled young man of a year ago. Then, although he had

managed to adjust to his father serving a life sentence, the imprisonment of his mother for VAT offences was more than he could take.

He suffered five first-round defeats and it was only after his mother's release in February that he started again to address his game with proper intent. "The way I played last season really hurt me," he says. "At times there was no effort." In late season he struck up a valuable relationship with Del Hill, who has structured O'Sullivan's practice and focused his preparation.

It was to Hill's defence that O'Sullivan was leaping when he assaulted an assistant

press officer at the last world championship. The official had told Hill to leave the press room because he did not conform to the dress code for visitors. O'Sullivan was fined £20,000 by the WPBSA.

The incident tarnished O'Sullivan's run to the semi-finals which enabled him to finish the season eighth in the rankings. He has already improved that to a provisional fourth by winning the Asian Classic earlier this month.

"Being at the business end of tournaments is what I enjoy most. And that's why I'm trying to do things properly," O'Sullivan says. This afternoon he plays the world No. 3 Peter Ebdon.

Sports Guardian

ENGLAND'S FINEST AT LAST ON SONG FOR EUROPE

Champions League: Group C
Manchester United 2, Rapid Vienna 0

United shoot down Rapid

David Lacey

MANCHESTER United successfully shot the rapids at Old Trafford last night and for the moment things are going swimmingly for Alex Ferguson's team in the Champions League.

Rapid Vienna turned out to be Vapid Vienna, but an impressive first-half performance by Manchester United went some way towards re-establishing their European credentials on the eve of their 40th anniversary in Continental competitions.

While United needed an emphatic victory last night to purge their memories of finishing a poor second to Juventus in Turin a fortnight earlier, the reality of the situation was that any win would do. Champions League points were the whole point of the exercise.

The threat presented by Rapid was not so much that they would end Manchester United's 40-year-old unbeaten home record in Europe but that they would join the lengthening list of foreign teams — seven in 13 matches — who had forced draws at Old Trafford in recent seasons. United had to beware of exposing themselves to the sort of sucker punch which had led to their defeat in the Stadio Delle Alpi.

Not that the Austrian champions had time to think of anything but self-defence as wave upon wave of Manchester United attacks swept over them from the outset. With Poborsky rather surprisingly retained from Turin, and Cruyff on the bench, United moved forward with pace and verve and quickly found gaps in the Viennese defence.

United had five near-misses in the opening 12 minutes. Solskjaer set up first by Giggs and then by Cantona, sent one shot wide and another, weaker attempt went straight to Konsel, the Rapid goalkeeper.

Giggs's corners were soon posing problems. From one of them Johnsen had a header saved by Konsel and from another, Cantona glanced the ball past the goalkeeper only to see Prosenjuk clear it off the line.

In between times a mistake by Lesiak had allowed Solskjaer a free run at Konsel but the young Norwegian rather wasted the opportunity, allowing the Rapid goalkeeper to block his shot. Yet a goal for United, and Solskjaer, was not far away.

After 30 minutes Beckham's pass out to Keane exposed Rapid on the right, the Irishman drove the ball low across the goalmouth and after Poborsky had lunged at thin air Solskjaer came in at the far post to score.



It takes two to tangle... Roy Keane gets up to challenge Rapid's Andreas Heraf last night

With May on for Johnsen, who had limped out of the match with a damaged ankle shortly before the first goal, United needed to keep their wits about them. They had, after all, lost European leads at Old Trafford before now.

Last night, however, the rapid disintegration of the Austrian defence did not suggest that this was going to be another of those occasions. In the 26th minute an astute piece of anticipation by Beckham increased United's lead.

Spotting a slack piece of passing by Stöger, Beckham raced in to gain possession and score at the second attempt. Konsel having blocked his first shot. Old Trafford roared its gratitude. This was more like a European night.

With Cantona drifting into space at will, Beckham now an even stronger influence than Keane, and Rapid still bewildered by sharp changes of pace and position, complacency was United's only real enemy.

They should have scored a third goal early in the second half, when Cantona and Poborsky worked a reverse scissors movement to send in Solskjaer, but he was starting to miss the target again and wafled the ball over the bar. Later he headed wide when it would have been easier to score.

By now United were less inclined to pursue goals with the ferocity of the first half. They reduced the tempo but still kept possession and were always likely to create chances at their leisure.

For Rapid the evening had become a damage-limitation exercise. Wagner, their lone striker, eventually gave way to Stumpf. Mozart would have been a better bet.

Manchester United: Schmeichel, G Neville, Johnsen (45), Heraf, Pallasch, Irwin, Poborsky (42), St. 73, Beckham, Keane, Giggs, Cantona, Solskjaer (40).

Rapid Vienna: Konsel, Ziegler, Lesiak, Ivanov, Schibler, Prosenjuk, Heraf, Radoszycki, Schwaner, Stöger, Stumpf, 84, Wagner (43), 84.

Referee: R. Harre (France).

A ruthless and inhuman end to sunlit days



Frank Keating

ON NO other morning of the year is one's post-breakfast reverie, doodling in the day's starting-stalls, more ruminatively drawn out than when the first-class averages are published. They pull down the curtain on the sunlit days. They are a starkly ruthless, inhuman, set of figures. They tell, I suppose, of a general truth: but they are embellished with no tall tales, no mitigation, no missed catches, no bum decisions, no unlucky run-outs, no bad light, no bold near-sixers which just drop short, no stonewalling defiance. Just the stats, and nothing but the stats.

There were two summer tours and it is nicely courteous that Englishmen allowed an Indian shining with promise to top the batting and a Pakistani ditto the bowling. The young man who sounds like a Boy Scout campfire lyric, S Ganguly, led with the willow — just 14 innings, average 55, three 100s, four 50s — and even our mighty, ancient Gooch (av. 67, eight 100s, six 50s) had to doff his hairpiece.

Pakistan's other Mushtaq, Saqlain, headed the list of those who bowled more than 100 overs. In the top ten such bowlers only Mark Ealham (sixth), Phil Tufnell (ninth) and Darren Gough (tenth) were native sons of the soil and toil. Tufnell bowled by far the most maidens (27), and Courtney Walsh, as a bat, logged the most not-outs. In 24 innings, Andy Afford managed 34 runs. In his career, in 166 innings he is still quite a few short of 400.

With the Olympics rowdily deafening my own summer, and what with the rains as well, there was little time personally to chew a long grass, sip some cider and cock an lazy ear at the clunk of bat on ball. In Atlanta some determined Brits, boffins with the radio, picked up Test Match Special's ball-by-ball coverage, which kept us sane.

It needed to. The hysterical one-nation jingoism of the American broadcasters got all our goats. It couldn't happen at home, we thought — but then came last week's Soheim Cup on Radio 5, and a lamentably nationalistic *tour de force*. By Sunday's final day, surely half the country's lis-

teners were rooting for the American women.

At one stage Tony Adamson excitedly apologised: "When I talk of the European girls, I really must stop saying 'us' and 'we', but I just can't help it." Next bulletin there was yet another spasmic ejaculation of "us" and "we". It is the same at the Ryder Cup. Are they reporters or simply infuriatingly frenzied cheerleaders? Or is it policy?

The BBC's two cricket teams do not countenance such flag-waving bluster and chauvinist bombast. And both honour the foe.

Was it just the relief of hearing them in Atlanta a few times, crackling through the static from Lord's and Trent Bridge, or has radio's Test Match Special triumphantly regrouped this summer and rediscovered its compelling appeal? (Except, that is, for those Radio 4 devotees who must return from long-wave to the non-cricket programmes on FM, which in some parts of the country is effectively impossible.)

THERE is a rumour that some bear Trevor Bailey and Fred Trueman as archaic caricatures. Nonsense, never let them go, they are the link with the past and the programme's pomp.

To hear FST's growing manderings of despair at today's youth takes decades off anybody's age.

One day this summer Trueman grumped: "There just aren't any real stars any more, not like in my day..." When Frindall or somebody quietly butted in to point out the career bowling figures and strike-rates of, respectively, Waqar, Wasim and Mushtaq, Fred just grunted in defiant disbelief.

In fairness TMS had to readjust, almost reinvent itself, after the death nearly two years ago of its fulcrum Brian Johnston. With Christopher Martin-Jenkins superb as the reporter and Jonathan Agnew as the enthusiast, has not Henry Blofeld with his singular manner quite resplendently assumed some of the unshakable character, colour and textures of Johnston?

You can almost hear the bow-tie and the flamboyant waistcoat, as much as you can see the "rather good-looking double-decker" easing down the Harleyford Road or the "rather thoughtful pigeon gliding past the box". And Blowers knows his stuff.

Peter Baxter's last county report from a bleak Oval on Sunday said: "It is now so dark here that even Blofeld could not spot an aeroplane." The End. Now, for seven-and-a-half long months, back to the studio.

BECKSENTRICS

EURO STAR OF THE YEAR

PLAYING BY THEIR OWN RULES

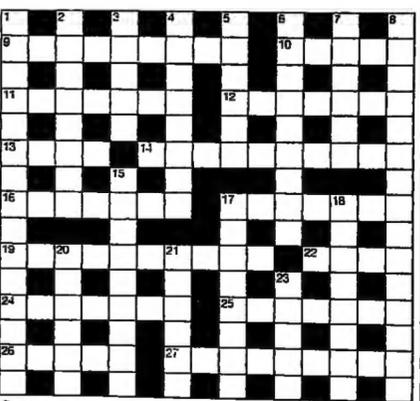
"Apple had an unbelievable track record of doing everything wrong, particularly in missing the opportunity to license its products. We are working hard on fixing that today, but a decade later than we should have done."

Gil Amelio, Apple's new boss

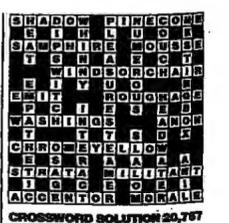
OnLine G2 page 12

Guardian Crossword No 20,768

Set by Rufus



- Across**
- 9 What a cash register does is to stop fiddling (4,5)
 - 10 Backwaters vessel (5)
 - 11 Listener heads home in determined mood (7)
 - 12 Horse-plate (7)
 - 13 Note edge of radar screen echo (4)
 - 14 Suit — policemen? (3,3,4)
 - 16 A form of gravel found in S. Portugal (7)
 - 17 Main line terminal? (7)
 - 19 Religious rite comes to nothing in California (10)
 - 22 House in the Home Counties by the motorway (4)
 - 24 Something to keep Auntie in charge? (7)
 - 25 Like hell cats in a m?lée (7)
 - 26 Turnover in coats (5)
 - 27 Risks of heat in terminals (9)
- Down**
- 1 People pop inside where they see this sign (5,5,5)
 - 2 Frightening the French into preparation for war (8)
 - 3 The remains of a sporting trophy (5)
 - 4 Dreadful family heard in abusive outburst (8)
 - 5 To draw out English capital is OK in law (6)
 - 6 Property conveyance? (6,3)
 - 7 Kipling hero who led a wild life as a youngster (8)
 - 8 No straightforward sort of flight (6,9)
 - 15 Support fuss about sick animal (9)
 - 17 Annul, even in court? (3,5)
 - 18 It would be a bloomer to ring Hero's boyfriend (8)



CROSSWORD SOLUTION 20,768

20 Cover story with article inside (6)

21 Rarely seen part of the French president's residence (6)

23 Support the resistance (5)

Solution tomorrow

Stuck? Then call our solutions line on 0891 338 226. Calls cost 30p per min, cheap rate, 40p per min at all other times. Service supplied by ADS.

A B W C P R

مركز الامتحان